

**Calendar No. 163**107TH CONGRESS  
1ST SESSION**S. 1438**

To authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

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**IN THE SENATE OF THE UNITED STATES**

SEPTEMBER 19, 2001

Mr. LEVIN introduced the following bill; which was read the first time

SEPTEMBER 20, 2001

Read the second time and placed on the calendar

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**A BILL**

To authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “National Defense Au-  
3 thorization Act for Fiscal Year 2002”.

4 **SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF**  
5 **CONTENTS.**

6 (a) DIVISIONS.—This Act is organized into three divi-  
7 sions as follows:

8 (1) Division A—Department of Defense Au-  
9 thorizations.

10 (2) Division B—Military Construction Author-  
11 izations.

12 (3) Division C—Department of Energy Na-  
13 tional Security Authorizations and Other Authoriza-  
14 tions.

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

Sec. 1. Short title.

Sec. 2. Organization of Act into divisions; table of contents.

Sec. 3. Congressional defense committees defined.

**DIVISION A—DEPARTMENT OF DEFENSE**  
**AUTHORIZATIONS**

**TITLE I—PROCUREMENT**

**Subtitle A—Authorization of Appropriations**

Sec. 101. Army.

Sec. 102. Navy and Marine Corps.

Sec. 103. Air Force.

Sec. 104. Defense-wide activities.

Sec. 105. Defense Inspector General.

Sec. 106. Chemical agents and munitions destruction, Defense.

Sec. 107. Defense health programs.

**Subtitle B—Army Programs**

(Reserved)

### **Subtitle C—Navy Programs**

- Sec. 121. Virginia class submarine program.
- Sec. 122. Multiyear procurement authority for F/A-18E/F aircraft engines.
- Sec. 123. V-22 Osprey aircraft program.

### **Subtitle D—Air Force Programs**

- Sec. 131. Multiyear procurement authority for C-17 aircraft.

### **Subtitle E—Other Matters**

- Sec. 141. Extension of pilot program on sales of manufactured articles and services of certain Army industrial facilities without regard to availability from domestic sources.

## **TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION**

### **Subtitle A—Authorization of Appropriations**

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

### **Subtitle B—Program Requirements, Restrictions, and Limitations**

- Sec. 211. F-22 aircraft program.
- Sec. 212. C-5 aircraft reliability enhancement and reengining.
- Sec. 213. Review of alternatives to the V-22 Osprey aircraft.
- Sec. 214. Joint biological defense program.

### **Subtitle C—Other Matters**

- Sec. 231. Technology Transition Initiative.
- Sec. 232. Communication of safety concerns between operational testing and evaluation officials and program managers.

## **TITLE III—OPERATION AND MAINTENANCE**

### **Subtitle A—Authorization of Appropriations**

- Sec. 301. Operation and maintenance funding.
- Sec. 302. Working capital funds.
- Sec. 303. Armed Forces Retirement Home.
- Sec. 304. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
- Sec. 305. Amount for impact aid for children with severe disabilities.

### **Subtitle B—Environmental Provisions**

- Sec. 311. Establishment in environmental restoration accounts of sub-accounts for unexploded ordnance and related constituents.
- Sec. 312. Assessment of environmental remediation of unexploded ordnance and related constituents.
- Sec. 313. Department of Defense energy efficiency program.
- Sec. 314. Extension of pilot program for sale of air pollution emission reduction incentives.

- Sec. 315. Reimbursement of Environmental Protection Agency for certain response costs in connection with Hooper Sands Site, South Berwick, Maine.
- Sec. 316. Conformity of surety authority under environmental restoration program with surety authority under superfund.
- Sec. 317. Procurement of alternative fueled and hybrid electric light duty trucks.

**Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities**

- Sec. 321. Rebate agreements with producers of foods provided under the special supplemental food program.
- Sec. 322. Reimbursement for use of commissary facilities by military departments for purposes other than commissary sales.
- Sec. 323. Public releases of commercially valuable information of commissary stores.

**Subtitle D—Other Matters**

- Sec. 331. Codification of authority for Department of Defense support for counter-drug activities of other governmental agencies.
- Sec. 332. Exclusion of certain expenditures from limitation on private sector performance of depot-level maintenance.
- Sec. 333. Repair, restoration, and preservation of Lafayette Escadrille Memorial, Marnes la-Coquette, France.
- Sec. 334. Implementation of the Navy-Marine Corps Intranet contract.

**TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS**

**Subtitle A—Active Forces**

- Sec. 401. End strengths for active forces.
- Sec. 402. Authorized daily average active duty strength for Navy enlisted members in pay grade E-8.

**Subtitle B—Reserve Forces**

- Sec. 411. End strengths for Selected Reserve.
- Sec. 412. End strengths for Reserves on active duty in support of the reserves.
- Sec. 413. End strengths for military technicians (dual status).
- Sec. 414. Fiscal year 2002 limitation on non-dual status technicians.
- Sec. 415. Limitations on numbers of reserve personnel serving on active duty or full-time National Guard duty in certain grades for administration of reserve components.
- Sec. 416. Strength and grade limitation accounting for reserve component members on active duty in support of a contingency operation.

**Subtitle C—Authorization of Appropriations**

- Sec. 421. Authorization of appropriations for military personnel.

**TITLE V—MILITARY PERSONNEL POLICY**

**Subtitle A—Officer Personnel Policy**

- Sec. 501. General officer positions.

- Sec. 502. Reduction of time-in-grade requirement for eligibility for promotion of first lieutenants and lieutenants (junior grade).
- Sec. 503. Promotion of officers to the grade of captain in the Army, Air Force, or Marine Corps or to the grade of lieutenant in the Navy without selection board action.
- Sec. 504. Authority to adjust date of rank.
- Sec. 505. Extension of deferments of retirement or separation for medical reasons.
- Sec. 506. Exemption from administrative limitations of retired members ordered to active duty as defense and service attachés.
- Sec. 507. Certifications of satisfactory performance for retirements of officers in grades above major general and rear admiral.
- Sec. 508. Effective date of mandatory separation or retirement of regular officer delayed by a suspension of certain laws under emergency authority of the President.
- Sec. 509. Detail and grade of officer in charge of the United States Navy Band.

### **Subtitle B—Reserve Component Personnel Policy**

- Sec. 511. Reauthorization and expansion of temporary waiver of the requirement for a baccalaureate degree for promotion of certain reserve officers of the Army.
- Sec. 512. Status list of reserve officers on active duty for a period of three years or less.
- Sec. 513. Equal treatment of Reserves and full-time active duty members for purposes of managing deployments of personnel.
- Sec. 514. Modification of physical examination requirements for members of the Individual Ready Reserve.
- Sec. 515. Members of reserve components afflicted while remaining overnight at duty station within commuting distance of home.
- Sec. 516. Retirement of reserve personnel without request.
- Sec. 517. Space-required travel by Reserves on military aircraft.

### **Subtitle C—Education and Training**

- Sec. 531. Improved benefits under the Army College First program.
- Sec. 532. Repeal of limitation on number of Junior Reserve Officers' Training Corps units.
- Sec. 533. Acceptance of fellowships, scholarships, or grants for legal education of officers participating in the funded legal education program.
- Sec. 534. Grant of degree by Defense Language Institute Foreign Language Center.
- Sec. 535. Authority for the Marine Corps University to award the degree of master of strategic studies.
- Sec. 536. Foreign persons attending the service academies.
- Sec. 537. Expansion of financial assistance program for health-care professionals in reserve components to include students in programs of education leading to initial degree in medicine or dentistry.
- Sec. 538. Pilot program for Department of Veterans Affairs support for graduate medical education and training of medical personnel of the Armed Forces.
- Sec. 539. Transfer of entitlement to educational assistance under Montgomery GI Bill by members of the Armed Forces with critical military skills.

### **Subtitle D—Decorations, Awards, and Commendations**

- Sec. 551. Authority for award of the Medal of Honor to Humbert R. Versace for valor during the Vietnam War.
- Sec. 552. Review regarding award of Medal of Honor to certain Jewish American war veterans.
- Sec. 553. Issuance of duplicate and replacement Medals of Honor.
- Sec. 554. Waiver of time limitations for award of certain decorations to certain persons.
- Sec. 555. Sense of Senate on issuance of Korea Defense Service Medal.

### **Subtitle E—Funeral Honors Duty**

- Sec. 561. Active duty end strength exclusion for Reserves on active duty or full-time National Guard duty for funeral honors duty.
- Sec. 562. Participation of retirees in funeral honors details.
- Sec. 563. Benefits and protections for members in a funeral honors duty status.
- Sec. 564. Military leave for civilian employees serving as military members of funeral honors detail.

### **Subtitle F—Uniformed Services Overseas Voting**

- Sec. 571. Sense of the Senate regarding the importance of voting by members of the uniformed services.
- Sec. 572. Uniform nondiscriminatory voting standards for administration of elections under State and local election systems.
- Sec. 573. Guarantee of residency for military personnel.
- Sec. 574. Extension of registration and balloting rights for absent uniformed services voters to State and local elections.
- Sec. 575. Use of single application as a simultaneous absentee voter registration application and absentee ballot application.
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- Sec. 577. Electronic voting demonstration project.
- Sec. 578. Federal voting assistance program.

### **Subtitle G—Other Matters**

- Sec. 581. Persons authorized to be included in surveys of military families regarding Federal programs.
- Sec. 582. Correction and extension of certain Army recruiting pilot program authorities.
- Sec. 583. Offense of drunken operation of a vehicle, aircraft, or vessel under the Uniform Code of Military Justice.
- Sec. 584. Authority of civilian employees to act as notaries.
- Sec. 585. Review of actions of selection boards.
- Sec. 586. Acceptance of voluntary legal assistance for the civil affairs of members and former members of the uniformed services and their dependents.
- Sec. 587. Extension of Defense Task Force on Domestic Violence.
- Sec. 588. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II.

## **TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS**

### **Subtitle A—Pay and Allowances**

- Sec. 601. Increase in basic pay for fiscal year 2002.
- Sec. 602. Basic pay rate for certain reserve commissioned officers with prior service as an enlisted member or warrant officer.
- Sec. 603. Reserve component compensation for distributed learning activities performed as inactive-duty training.
- Sec. 604. Clarifications for transition to reformed basic allowance for subsistence.
- Sec. 605. Increase of basic allowance for housing in the United States.
- Sec. 606. Clarification of eligibility for supplemental subsistence allowance.
- Sec. 607. Correction of limitation on additional uniform allowance for officers.
- Sec. 608. Payment for unused leave in excess of 60 days accrued by members of reserve components on active duty for one year or less.

### **Subtitle B—Bonuses and Special and Incentive Pays**

- Sec. 611. Extension of certain bonuses and special pay authorities for reserve forces.
- Sec. 612. Extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
- Sec. 613. Extension of special pay and bonus authorities for nuclear officers.
- Sec. 614. Extension of authorities relating to payment of other bonuses and special pays.
- Sec. 615. Hazardous duty pay for members of maritime visit, board, search, and seizure teams.
- Sec. 616. Submarine duty incentive pay rates.
- Sec. 617. Career sea pay.
- Sec. 618. Modification of eligibility requirements for Individual Ready Reserve bonus for reenlistment, enlistment, or extension of enlistment.
- Sec. 619. Accession bonus for officers in critical skills.
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- Sec. 632. Eligibility for payment of subsistence expenses associated with occupancy of temporary lodging incident to reporting to first permanent duty station.
- Sec. 633. Eligibility for dislocation allowance.
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- Sec. 635. Travel and transportation allowances for family members to attend the burial of a deceased member of the uniformed services.
- Sec. 636. Family separation allowance for members electing unaccompanied tour by reason of health limitations of dependents.
- Sec. 637. Funded student travel for foreign study under an education program approved by a United States school.
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- Sec. 821. Applicability of competition requirements to purchases from a required source.
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- Sec. 902. Responsibility of Under Secretary of the Air Force for acquisition of space launch vehicles and services.
- Sec. 903. Sense of Congress regarding the selection of officers for assignment as the Commander in Chief, United States Transportation Command.
- Sec. 904. Organizational realignment for Navy Director for Expeditionary Warfare.
- Sec. 905. Revised requirements for content of annual report on joint warfighting experimentation.
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- Sec. 1001. Transfer authority.
- Sec. 1002. Reduction in authorizations of appropriations for Department of Defense for management efficiencies.
- Sec. 1003. Authorization of supplemental appropriations for fiscal year 2001.
- Sec. 1004. United States contribution to NATO common-funded budgets in fiscal year 2002.
- Sec. 1005. Clarification of applicability of interest penalties for late payment of interim payments due under contracts for services.
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Sec. 1008. Combating Terrorism Readiness Initiatives Fund for combatant commands.

#### **Subtitle B—Strategic Forces**

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- Sec. 1214. Clarification of authority to furnish nuclear test monitoring equipment to foreign governments.
- Sec. 1215. Participation of government contractors in chemical weapons inspections at United States Government facilities under the Chemical Weapons Convention.
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- Sec. 2301. Authorized Air Force construction and land acquisition projects.
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### **TITLE XXIV—DEFENSE AGENCIES**

- Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
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- Sec. 2821. Land conveyance, Engineer Proving Ground, Fort Belvoir, Virginia.  
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- Sec. 3142. Responsibility for national security laboratories and weapons production facilities of Deputy Administrator of National Nuclear Security Administration for Defense Programs.
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- Sec. 3153. One-year extension of authority of Department of Energy to pay voluntary separation incentive payments.
- Sec. 3154. Additional objective for Department of Energy defense nuclear facility work force restructuring plan.
- Sec. 3155. Modification of date of report of Panel to Assess the Reliability, Safety, and Security of the United States Nuclear Stockpile.
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**Subtitle F—Rocky Flats National Wildlife Refuge**

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- Sec. 3173. Definitions.
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- Sec. 3180. Rocky Flats Museum.
- Sec. 3181. Report on funding.

**TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD**

- Sec. 3201. Authorization.

**TITLE XXXIII—NATIONAL DEFENSE STOCKPILE**

Sec. 3301. Authority to dispose of certain materials in the National Defense Stockpile.

Sec. 3302. Revision of limitations on required disposals of cobalt in the National Defense Stockpile.

Sec. 3303. Acceleration of required disposal of cobalt in the National Defense Stockpile.

Sec. 3304. Revision of restriction on disposal of manganese ferro.

#### **TITLE XXXIV—NAVAL PETROLEUM RESERVES**

Sec. 3401. Authorization of appropriations.

#### **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.

#### **9 SEC. 4. APPLICABILITY OF REPORT OF COMMITTEE ON 10 ARMED SERVICES OF THE SENATE.**

11 Senate Report 107–62, the report of the Committee  
12 on Armed Services of the Senate to accompany the bill  
13 S.1416, 107th Congress, 1st session, shall apply to this  
14 Act with the exception of the portions of the report that  
15 relate to sections 221 through 224.

1 **DIVISION A—DEPARTMENT OF**  
2 **DEFENSE AUTHORIZATIONS**  
3 **TITLE I—PROCUREMENT**  
4 **Subtitle A—Authorization of**  
5 **Appropriations**

6 **SEC. 101. ARMY.**

7 Funds are hereby authorized to be appropriated for  
8 fiscal year 2002 for procurement for the Army as follows:

9 (1) For aircraft, \$2,123,391,000.

10 (2) For missiles, \$1,807,384,000.

11 (3) For weapons and tracked combat vehicles,  
12 \$2,276,746,000.

13 (4) For ammunition, \$1,187,565,000.

14 (5) For other procurement, \$4,024,486,000.

15 **SEC. 102. NAVY AND MARINE CORPS.**

16 (a) NAVY.—Funds are hereby authorized to be appro-  
17 priated for fiscal year 2002 for procurement for the Navy  
18 as follows:

19 (1) For aircraft, \$8,169,043,000.

20 (2) For weapons, including missiles and tor-  
21 pedoes, \$1,503,475,000.

22 (3) For shipbuilding and conversion,  
23 \$9,522,121,000.

24 (4) For other procurement, \$4,293,476,000.

1 (b) MARINE CORPS.—Funds are hereby authorized to  
2 be appropriated for fiscal year 2002 for procurement for  
3 the Marine Corps in the amount of \$981,724,000.

4 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds  
5 are hereby authorized to be appropriated for fiscal year  
6 2002 for procurement of ammunition for the Navy and  
7 the Marine Corps in the amount of \$476,099,000.

8 **SEC. 103. AIR FORCE.**

9 Funds are hereby authorized to be appropriated for  
10 fiscal year 2002 for procurement for the Air Force as fol-  
11 lows:

12 (1) For aircraft, \$10,892,957,000.

13 (2) For ammunition, \$865,344,000.

14 (3) For missiles, \$3,263,436,000.

15 (4) For other procurement, \$8,081,721,000.

16 **SEC. 104. DEFENSE-WIDE ACTIVITIES.**

17 Funds are hereby authorized to be appropriated for  
18 fiscal year 2002 for Defense-wide procurement in the  
19 amount of \$1,594,325,000.

20 **SEC. 105. DEFENSE INSPECTOR GENERAL.**

21 Funds are hereby authorized to be appropriated for  
22 fiscal year 2002 for procurement for the Inspector General  
23 of the Department of Defense in the amount of  
24 \$2,800,000.

1 **SEC. 106. CHEMICAL AGENTS AND MUNITIONS DESTRUC-**  
 2 **TION, DEFENSE.**

3 There is hereby authorized to be appropriated for the  
 4 Office of the Secretary of Defense for fiscal year 2002  
 5 the amount of \$1,153,557,000 for—

6 (1) the destruction of lethal chemical agents  
 7 and munitions in accordance with section 1412 of  
 8 the Department of Defense Authorization Act, 1986  
 9 (50 U.S.C. 1521); and

10 (2) the destruction of chemical warfare materiel  
 11 of the United States that is not covered by section  
 12 1412 of such Act.

13 **SEC. 107. DEFENSE HEALTH PROGRAMS.**

14 Funds are hereby authorized to be appropriated for  
 15 fiscal year 2002 for the Department of Defense for pro-  
 16 curement for carrying out health care programs, projects,  
 17 and activities of the Department of Defense in the total  
 18 amount of \$267,915,000.

19 **Subtitle B—Army Programs**

20 (RESERVED)

21 **Subtitle C—Navy Programs**

22 **SEC. 121. VIRGINIA CLASS SUBMARINE PROGRAM.**

23 Section 123(b)(1) of the Floyd D. Spence National  
 24 Defense Authorization Act for Fiscal Year 2001 (as en-  
 25 acted into law by Public Law 106–398; 114 Stat. 1654A–  
 26 25) is amended—

1           (1) by striking “five Virginia class submarines”  
2           and inserting “seven Virginia class submarines”;  
3           and

4           (2) by striking “through 2006” and inserting  
5           “2007”.

6 **SEC. 122. MULTIYEAR PROCUREMENT AUTHORITY FOR**  
7                                   **F/A-18E/F AIRCRAFT ENGINES.**

8           Beginning with the 2002 program year, the Secretary  
9           of the Navy may, in accordance with section 2306b of title  
10          10, United States Code, enter into a multiyear contract  
11          for the procurement of engines for F/A-18E/F aircraft.

12 **SEC. 123. V-22 OSPREY AIRCRAFT PROGRAM.**

13          The production rate for V-22 Osprey aircraft may  
14          not be increased above the minimum sustaining produc-  
15          tion rate for which funds are authorized to be appro-  
16          priated by this Act until the Secretary of Defense certifies  
17          to Congress that successful operational testing of the air-  
18          craft demonstrates that—

19                 (1) the solutions to the problems regarding the  
20                 reliability of hydraulic system components and flight  
21                 control software that were identified by the panel  
22                 appointed by the Secretary of Defense on January  
23                 5, 2001, to review the V-22 aircraft program are  
24                 adequate to achieve low risk for crews and pas-

1       sengers aboard V-22 aircraft that are operating  
2       under operational conditions;

3               (2) the V-22 aircraft can achieve reliability and  
4       maintainability levels that are sufficient for the air-  
5       craft to achieve operational availability at the level  
6       required for fleet aircraft;

7               (3) the V-22 aircraft will be operationally  
8       effective—

9                       (A) when employed in operations with  
10       other V-22 aircraft; and

11                      (B) when employed in operations with  
12       other types of aircraft; and

13               (4) the V-22 aircraft can be operated effec-  
14       tively, taking into consideration the downwash ef-  
15       fects inherent in the operation of the aircraft, when  
16       the aircraft—

17                      (A) is operated in remote areas with unim-  
18       proved terrain and facilities;

19                      (B) is deploying and recovering  
20       personnel—

21                               (i) while hovering within the zone of  
22       ground effect; and

23                               (ii) while hovering outside the zone of  
24       ground effect; and

25                      (C) is operated with external loads.

1       **Subtitle D—Air Force Programs**

2       **SEC. 131. MULTIYEAR PROCUREMENT AUTHORITY FOR**  
3                               **C-17 AIRCRAFT.**

4               Beginning with the 2002 program year, the Secretary  
5 of the Air Force may, in accordance with section 2306b  
6 of title 10, United States Code, enter into a multiyear con-  
7 tract for the procurement of up to 60 C-17 aircraft.

8                               **Subtitle C—Other Matters**

9       **SEC. 141. EXTENSION OF PILOT PROGRAM ON SALES OF**  
10                               **MANUFACTURED ARTICLES AND SERVICES**  
11                               **OF CERTAIN ARMY INDUSTRIAL FACILITIES**  
12                               **WITHOUT REGARD TO AVAILABILITY FROM**  
13                               **DOMESTIC SOURCES.**

14               Section 141(a) of the National Defense Authorization  
15 Act for Fiscal Year 1998 (Public Law 105-85; 10 U.S.C.  
16 4543 note) is amended by striking “through 2001” and  
17 inserting “through 2002”.

1 **TITLE II—RESEARCH, DEVELOP-**  
2 **MENT, TEST, AND EVALUA-**  
3 **TION**

4 **Subtitle A—Authorization of**  
5 **Appropriations**

6 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

7 Funds are hereby authorized to be appropriated for  
8 fiscal year 2002 for the use of the Department of Defense  
9 for research, development, test, and evaluation as follows:

10 (1) For the Army, \$6,899,170,000.

11 (2) For the Navy, \$11,135,806,000.

12 (3) For the Air Force, \$14,481,157,000.

13 (4) For Defense-wide activities,  
14 \$14,099,702,000, of which \$221,355,000 is author-  
15 ized for the Director of Operational Test and Eval-  
16 uation.

17 (5) For the Defense Health Program,  
18 \$65,304,000.

19 **SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.**

20 (a) FISCAL YEAR 2002.—Of the amounts authorized  
21 to be appropriated by section 201, \$5,093,605,000 shall  
22 be available for basic research and applied research  
23 projects.

24 (b) BASIC RESEARCH AND APPLIED RESEARCH DE-  
25 FINED.—For purposes of this section, the term “basic re-

1 search and applied research” means work funded in pro-  
2 gram elements for defense research and development  
3 under Department of Defense category 6.1 or 6.2.

4 **Subtitle B—Program Require-**  
5 **ments, Restrictions, and Limita-**  
6 **tions**

7 **SEC. 211. F-22 AIRCRAFT PROGRAM.**

8 (a) REPEAL OF LIMITATIONS ON TOTAL COST OF  
9 ENGINEERING AND MANUFACTURING DEVELOPMENT.—

10 The following provisions of law are repealed:

11 (1) Section 217(a) of the National Defense Au-  
12 thorization Act for Fiscal Year 1998 (Public Law  
13 105–85; 111 Stat. 1660).

14 (2) Section 8125 of the Department of Defense  
15 Appropriations Act, 2001 (Public Law 106–259;  
16 114 Stat. 702).

17 (3) Section 219(b) of the Floyd D. Spence Na-  
18 tional Defense Authorization Act for Fiscal Year  
19 2001 (as enacted into law by Public Law 106–398;  
20 114 Stat. 1654A–38).

21 (b) CONFORMING AMENDMENTS.—(1) Section 217 of  
22 the National Defense Authorization Act for Fiscal Year  
23 1998 (Public Law 105–85; 111 Stat. 1660) is amended—

24 (A) in subsection (c)—

1 (i) by striking “limitations set forth in sub-  
2 sections (a) and (b)” and inserting “limitation  
3 set forth in subsection (b)”;

4 (ii) by striking paragraph (3); and

5 (B) in subsection (d)(2), by striking subpara-  
6 graphs (D) and (E).

7 (2) Section 131 of the National Defense Authoriza-  
8 tion Act for Fiscal Year 2000 (Public Law 106–65; 113  
9 Stat. 536) is amended—

10 (A) in subsection (a), by striking paragraph (2)  
11 and inserting the following:

12 “(2) That the production phase for that pro-  
13 gram can be executed within the limitation on total  
14 cost applicable to that program under section 217(b)  
15 of the National Defense Authorization Act for Fiscal  
16 Year 1998 (Public Law 105–85; 111 Stat. 1660).”;  
17 and

18 (B) in subsection (b)(3), by striking “for the re-  
19 mainder of the engineering and manufacturing de-  
20 velopment phase and”.

21 **SEC. 212. C-5 AIRCRAFT RELIABILITY ENHANCEMENT AND**  
22 **REENGINEING.**

23 The Secretary of the Air Force shall ensure that engi-  
24 neering manufacturing and development under the C-5  
25 aircraft reliability enhancement and reengining program

1 includes kit development for an equal number of C-5A and  
2 C-5B aircraft.

3 **SEC. 213. REVIEW OF ALTERNATIVES TO THE V-22 OSPREY**  
4 **AIRCRAFT.**

5 (a) REQUIREMENT FOR REVIEW.—The Under Sec-  
6 retary of Defense for Acquisition, Technology, and Logis-  
7 ties shall conduct a review of the requirements of the Ma-  
8 rine Corps and the Special Operations Command that the  
9 V-22 Osprey aircraft is intended to meet in order to iden-  
10 tify the potential alternative means for meeting those re-  
11 quirements if the V-22 Osprey aircraft program were to  
12 be terminated.

13 (b) MATTERS TO BE INCLUDED.—The requirements  
14 reviewed shall include the following:

15 (1) The requirements to be met by an aircraft  
16 replacing the CH-46 medium lift helicopter.

17 (2) The requirements to be met by an aircraft  
18 replacing the MH-53 helicopter.

19 (c) FUNDING.—Of the amount authorized to be ap-  
20 propriated by section 201(2), \$5,000,000 shall be avail-  
21 able for carrying out the review required by this section.

22 **SEC. 214. JOINT BIOLOGICAL DEFENSE PROGRAM.**

23 Section 217(a) of the Floyd D. Spence National De-  
24 fense Authorization Act for Fiscal Year 2001 (as enacted  
25 into law by Public Law 106-398; 114 Stat. 1654A-36)

1 is amended by striking “funds authorized to be appro-  
2 priated by this Act may not” and inserting “no funds au-  
3 thorized to be appropriated to the Department of Defense  
4 for fiscal year 2002 may”.

## 5 **Subtitle C—Other Matters**

### 6 **SEC. 231. TECHNOLOGY TRANSITION INITIATIVE.**

7 (a) ESTABLISHMENT AND CONDUCT.—Chapter 139  
8 of title 10, United States Code, is amended by inserting  
9 after section 2354 the following new section 2355:

#### 10 **“§ 2355. Technology Transition Initiative**

11 “(a) REQUIREMENT FOR PROGRAM.—The Secretary  
12 of Defense shall carry out a Technology Transition Initia-  
13 tive to facilitate the rapid transition of new technologies  
14 from science and technology programs of the Department  
15 of Defense into acquisition programs for the production  
16 of the technologies.

17 “(b) OBJECTIVES.—The objectives of the Initiative  
18 are as follows:

19 “(1) To successfully demonstrate new tech-  
20 nologies in relevant environments.

21 “(2) To ensure that new technologies are suffi-  
22 ciently mature for production.

23 “(c) MANAGEMENT.—(1) The Secretary of Defense  
24 shall designate a senior official in the Office of the Sec-  
25 retary of Defense to manage the Initiative.

1       “(2) In administering the Initiative, the Initiative  
2 Manager shall report directly to the Under Secretary of  
3 Defense for Acquisition, Technology, and Logistics.

4       “(3) The Initiative Manager shall—

5           “(A) in consultation with the Commander of  
6 the Joint Forces Command, identify promising tech-  
7 nologies that have been demonstrated in science and  
8 technology programs of the Department of Defense;

9           “(B) identify potential sponsors in the Depart-  
10 ment of Defense to undertake the transition of such  
11 technologies into production;

12           “(C) work with the science and technology com-  
13 munity and the acquisition community to develop  
14 memoranda of agreement, joint funding agreements,  
15 and other cooperative arrangements to provide for  
16 the transition of the technologies into production;  
17 and

18           “(D) provide funding support for selected  
19 projects as provided under subsection (d).

20       “(d) JOINTLY FUNDED PROJECTS.—(1) The senior  
21 procurement executive of each military department shall  
22 select technology projects of the military department to  
23 recommend for funding support under the Initiative and  
24 shall submit a list of the recommended projects, ranked  
25 in order of priority, to the Initiative Manager. The

1 projects shall be selected, in a competitive process, on the  
2 basis of the highest potential benefits in areas of interest  
3 identified by the Secretary of that military department.

4 “(2) The Initiative Manager, in consultation with the  
5 Commander of the Joint Forces Command, shall select  
6 projects for funding support from among the projects on  
7 the lists submitted under paragraph (1). The Initiative  
8 Manager shall provide funds, out of the Technology Tran-  
9 sition Fund, for each selected project. The total amount  
10 provided for a project shall be an amount that equals or  
11 exceeds 50 percent of the total cost of the project.

12 “(3) The senior procurement executive of the military  
13 department shall manage each project selected under  
14 paragraph (2) that is undertaken by the military depart-  
15 ment. Memoranda of agreement, joint funding agree-  
16 ments, and other cooperative arrangements between the  
17 science and technology community and the acquisition  
18 community shall be used in carrying out the project if the  
19 senior procurement executive determines that it is appro-  
20 priate to do so to achieve the objectives of the project.

21 “(e) TECHNOLOGY TRANSITION FUND.—(1) There is  
22 established in the Treasury of the United States a fund  
23 to be known as the ‘Technology Transition Fund’.

24 “(2) Subject to the authority, direction, and control  
25 of the Secretary of Defense, the Initiative Manager shall

1 administer the Fund consistent with the provisions of this  
2 section.

3 “(3) Amounts appropriated for the Initiative shall be  
4 deposited in the Fund.

5 “(4) Amounts in the Fund shall be available, to the  
6 extent provided in appropriations Acts, for carrying out  
7 the Initiative.

8 “(5) The President shall specify in the budget sub-  
9 mitted for a fiscal year pursuant to section 1105(a) of title  
10 31 the amount provided in that budget for the Initiative.

11 “(f) DEFINITIONS.—In this section:

12 “(1) The term ‘Initiative’ means the Tech-  
13 nology Transition Initiative carried out under this  
14 section.

15 “(2) The term ‘Initiative Manager’ means the  
16 official designated to manage the Initiative under  
17 subsection (c).

18 “(3) The term ‘Fund’ means the Technology  
19 Transition Fund established under subsection (e).

20 “(4) The term ‘senior procurement executive’,  
21 with respect to a military department, means the of-  
22 ficial designated as the senior procurement executive  
23 for that military department under section 16(3) of  
24 the Office of Federal Procurement Policy Act (41  
25 U.S.C. 414(3)).”.

1 (b) CLERICAL AMENDMENT.—The table of sections  
 2 at the beginning of such chapter is amended by inserting  
 3 after the item relating to section 2354 the following new  
 4 item:

“2355. Technology Transition Initiative.”.

5 **SEC. 232. COMMUNICATION OF SAFETY CONCERNS BE-**  
 6 **TWEEN OPERATIONAL TESTING AND EVALUA-**  
 7 **TION OFFICIALS AND PROGRAM MANAGERS.**

8 Section 139 of title 10, United States Code, is  
 9 amended by adding at the end the following new sub-  
 10 section:

11 “(c) The Director shall ensure that safety concerns  
 12 developed during the operational test and evaluation of a  
 13 weapon system under a major defense acquisition program  
 14 are timely communicated to the program manager for con-  
 15 sideration in the acquisition decisionmaking process.”.

16 **TITLE III—OPERATION AND**  
 17 **MAINTENANCE**  
 18 **Subtitle A—Authorization of**  
 19 **Appropriations**

20 **SEC. 301. OPERATION AND MAINTENANCE FUNDING.**

21 Funds are hereby authorized to be appropriated for  
 22 fiscal year 2002 for the use of the Armed Forces and other  
 23 activities and agencies of the Department of Defense for  
 24 expenses, not otherwise provided for, for operation and  
 25 maintenance, in amounts as follows:

- 1 (1) For the Army, \$21,134,982,000.
- 2 (2) For the Navy, \$26,927,931,000.
- 3 (3) For the Marine Corps, \$2,911,339,000.
- 4 (4) For the Air Force, \$26,013,582,000.
- 5 (5) For Defense-wide activities,
- 6 \$12,482,532,000.
- 7 (6) For the Army Reserve, \$1,803,146,000.
- 8 (7) For the Naval Reserve, \$1,000,369,000.
- 9 (8) For the Marine Corps Reserve,
- 10 \$142,956,000.
- 11 (9) For the Air Force Reserve, \$2,029,866,000.
- 12 (10) For the Army National Guard,
- 13 \$3,697,659,000.
- 14 (11) For the Air National Guard,
- 15 \$4,037,161,000.
- 16 (12) For the Defense Inspector General,
- 17 \$149,221,000.
- 18 (13) For the United States Court of Appeals
- 19 for the Armed Forces, \$9,096,000.
- 20 (14) For Environmental Restoration, Army,
- 21 \$389,800,000.
- 22 (15) For Environmental Restoration, Navy,
- 23 \$257,517,000.
- 24 (16) For Environmental Restoration, Air Force,
- 25 \$385,437,000.

1           (17) For Environmental Restoration, Defense-  
2 wide, \$23,492,000.

3           (18) For Environmental Restoration, Formerly  
4 Used Defense Sites, \$190,255,000.

5           (19) For Overseas Humanitarian, Disaster, and  
6 Civic Aid programs, \$49,700,000.

7           (20) For Drug Interdiction and Counterdrug  
8 Activities, Defense-wide, \$860,381,000.

9           (21) For the Kaho'olawe Island Conveyance,  
10 Remediation, and Environmental Restoration Trust  
11 Fund, \$60,000,000.

12           (22) For the Defense Health Program,  
13 \$17,546,750,000.

14           (23) For Cooperative Threat Reduction pro-  
15 grams, \$403,000,000.

16           (24) For Overseas Contingency Operations  
17 Transfer Fund, \$2,844,226,000.

18           (25) For Support for International Sporting  
19 Competitions, Defense, \$15,800,000.

20 **SEC. 302. WORKING CAPITAL FUNDS.**

21       Funds are hereby authorized to be appropriated for  
22 fiscal year 2002 for the use of the Armed Forces and other  
23 activities and agencies of the Department of Defense for  
24 providing capital for working capital and revolving funds  
25 in amounts as follows:

1           (1) For the Defense Working Capital Funds,  
2           \$1,917,186,000.

3           (2) For the National Defense Sealift Fund,  
4           \$506,408,000.

5 **SEC. 303. ARMED FORCES RETIREMENT HOME.**

6           There is hereby authorized to be appropriated for fis-  
7 cal year 2002 from the Armed Forces Retirement Home  
8 Trust Fund the sum of \$71,440,000 for the operation of  
9 the Armed Forces Retirement Home, including the United  
10 States Soldiers' and Airmen's Home and the Naval Home.

11 **SEC. 304. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES**  
12                           **THAT BENEFIT DEPENDENTS OF MEMBERS**  
13                           **OF THE ARMED FORCES AND DEPARTMENT**  
14                           **OF DEFENSE CIVILIAN EMPLOYEES.**

15           (a) CONTINUATION OF DEPARTMENT OF DEFENSE  
16 PROGRAM FOR FISCAL YEAR 2002.—Of the amount au-  
17 thorized to be appropriated by section 301(5) for oper-  
18 ation and maintenance for Defense-wide activities,  
19 \$35,000,000 shall be available only for the purpose of pro-  
20 viding educational agencies assistance (as defined in sub-  
21 section (d)(1)) to local educational agencies.

22           (b) NOTIFICATION.—Not later than June 30, 2002,  
23 the Secretary of Defense shall notify each local edu-  
24 cational agency that is eligible for educational agencies as-  
25 sistance for fiscal year 2002 of—

1           (1) that agency’s eligibility for educational  
2 agencies assistance; and

3           (2) the amount of the educational agencies as-  
4 sistance for which that agency is eligible.

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

10          (d) DEFINITIONS.—In this section:

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

16           (2) The term “local educational agency” has  
17 the meaning given that term in section 8013(9) of  
18 the Elementary and Secondary Education Act of  
19 1965 (20 U.S.C. 7713(9)).

20 **SEC. 305. AMOUNT FOR IMPACT AID FOR CHILDREN WITH**  
21 **SEVERE DISABILITIES.**

22          Of the amount authorized to be appropriated under  
23 section 301(5), \$5,000,000 shall be available for payments  
24 under section 363 of the Floyd D. Spence National De-

1 fense Authorization Act for Fiscal Year 2001 (as enacted  
2 into law by Public Law 106–398; 114 Stat. 1654A–77).

3           **Subtitle B—Environmental**  
4                           **Provisions**

5 **SEC. 311. ESTABLISHMENT IN ENVIRONMENTAL RESTORA-**  
6                           **TION ACCOUNTS OF SUB-ACCOUNTS FOR**  
7                           **UNEXPLODED ORDNANCE AND RELATED**  
8                           **CONSTITUENTS.**

9           Section 2703 of title 10, United States Code, is  
10 amended—

11                   (1) by redesignating subsections (b) through (f)  
12                   as subsections (c) through (g), respectively; and

13                   (2) by inserting after subsection (a) the fol-  
14                   lowing new subsection (b):

15           “(b) SUB-ACCOUNTS FOR UNEXPLODED ORDNANCE  
16 AND RELATED CONSTITUENTS.—There is hereby estab-  
17 lished within each environmental restoration account es-  
18 tablished under subsection (a) a sub-account to be known  
19 as the ‘Environmental Restoration Sub-Account,  
20 Unexploded Ordnance and Related Constituents’, for the  
21 account concerned.”.

1 **SEC. 312. ASSESSMENT OF ENVIRONMENTAL REMEDIATION**  
2 **OF UNEXPLODED ORDNANCE AND RELATED**  
3 **CONSTITUENTS.**

4 (a) **REPORT REQUIRED.**—The report submitted to  
5 Congress under section 2706(a) of title 10, United States  
6 Code, in 2002 shall include, in addition to the matters  
7 required by such section, a comprehensive assessment of  
8 the extent of unexploded ordnance and related constitu-  
9 ents at current and former facilities of the Department  
10 of Defense.

11 (b) **ELEMENTS.**—The assessment included under  
12 subsection (a) in the report referred to in that subsection  
13 shall include, at a minimum—

14 (1) an estimate of the aggregate projected costs  
15 of the remediation of unexploded ordnance and re-  
16 lated constituents at all active facilities of the De-  
17 partment;

18 (2) an estimate of the aggregate projected costs  
19 of the remediation of unexploded ordnance and re-  
20 lated constituents at all installations that are being,  
21 or have been, closed or realigned under the base clo-  
22 sure laws as of the date of the report under sub-  
23 section (a);

24 (3) an estimate of the aggregate projected costs  
25 of the remediation of unexploded ordnance and re-  
26 lated constituents at all formerly used defense sites;

1           (4) a comprehensive plan for addressing the  
2 unexploded ordnance and related constituents re-  
3 ferred to in paragraphs (1) through (3), including  
4 an assessment of the funding required and the pe-  
5 riod of time over which such funding will be pro-  
6 vided; and

7           (5) an assessment of the technology available  
8 for the remediation of unexploded ordnance and re-  
9 lated constituents, an assessment of the impact of  
10 improved technology on the cost of remediation of  
11 such ordnance and constituents, and a plan for the  
12 development and utilization of such improved tech-  
13 nology.

14       (c) REQUIREMENTS FOR ESTIMATES.—(1) The esti-  
15 mates of aggregate projected costs under each of para-  
16 graphs (1), (2), and (3) of subsection (b) shall—

17           (A) be stated as a range of aggregate projected  
18 costs, including a low estimate and a high estimate;

19           (B) set forth the differing assumptions under-  
20 lying each such low estimate and high estimate,  
21 including—

22               (i) any public uses for the facilities, instal-  
23 lations, or sites concerned that will be available  
24 after the remediation has been completed;

1           (ii) the extent of the cleanup required to  
2           make the facilities, installations, or sites con-  
3           cerned available for such uses; and

4           (iii) the technologies to be applied to uti-  
5           lized this purpose; and

6           (C) include, and identify separately, an estimate  
7           of the aggregate projected costs of the remediation  
8           of any ground water contamination that may be  
9           caused by unexploded ordnance and related constitu-  
10          ents at the facilities, installations, or sites con-  
11          cerned.

12          (2) The high estimate of the aggregate projected  
13          costs for facilities and installations under paragraph  
14          (1)(A) shall be based on the assumption that all  
15          unexploded ordnance and related constituents at such fa-  
16          cilities and installations will be addressed, regardless of  
17          whether there are any current plans to close such facilities  
18          or installations or discontinue training at such facilities  
19          or installations.

20          (3) The estimate of the aggregate projected costs of  
21          remediation of ground water contamination under para-  
22          graph (1)(C) shall be based on a comprehensive assess-  
23          ment of the risk of such contamination and of the actions  
24          required to protect the ground water supplies concerned.

1 **SEC. 313. DEPARTMENT OF DEFENSE ENERGY EFFICIENCY**  
2 **PROGRAM.**

3 (a) **IN GENERAL.**—The Secretary of Defense shall  
4 carry out a program to significantly improve the energy  
5 efficiency of Department of Defense facilities through  
6 2010.

7 (b) **RESPONSIBLE OFFICIALS.**—The Secretary shall  
8 designate a senior official of the Department of Defense  
9 to be responsible for managing the program for the De-  
10 partment and a senior official of each military department  
11 to be responsible for managing the program for such de-  
12 partment.

13 (c) **ENERGY EFFICIENCY GOALS.**—The goal of the  
14 program shall be to achieve reductions in energy consump-  
15 tion by Department facilities as follows:

16 (1) In the case of industrial and laboratory fa-  
17 cilities, reductions in the average energy consump-  
18 tion per square foot of such facilities, per unit of  
19 production or other applicable unit, relative to en-  
20 ergy consumption in 1990—

21 (A) by 20 percent by 2005; and

22 (B) by 25 percent by 2010.

23 (2) In the case of other facilities, reductions in  
24 average energy consumption per gross square foot of  
25 such facilities, relative to energy consumption per  
26 gross square foot in 1985—

1 (A) by 30 percent by 2005; and

2 (B) by 35 percent by 2010.

3 (d) STRATEGIES FOR IMPROVING ENERGY EFFI-  
4 CIENCY.—In order to achieve the goals set forth in sub-  
5 section (c), the Secretary shall, to the maximum extent  
6 practicable—

7 (1) purchase energy-efficient products, as so  
8 designated by the Environmental Protection Agency  
9 and the Department of Energy, and other energy-ef-  
10 ficient products;

11 (2) utilize energy savings performance con-  
12 tracts, utility energy-efficiency service contracts, and  
13 other contracts designed to achieve energy conserva-  
14 tion;

15 (3) use life-cycle cost analysis, including assess-  
16 ment of life-cycle energy costs, in making decisions  
17 about investments in products, services, construc-  
18 tion, and other projects;

19 (4) conduct energy efficiency audits for approxi-  
20 mately 10 percent of all Department of Defense fa-  
21 cilities each year;

22 (5) explore opportunities for energy efficiency in  
23 industrial facilities for steam systems, boiler oper-  
24 ation, air compressor systems, industrial processes,  
25 and fuel switching; and

1           (6) retire inefficient equipment on an acceler-  
2           ated basis where replacement results in lower life-  
3           cycle costs.

4           (e) REPORTS.— Not later than January 1, 2002, and  
5           annually thereafter through 2010, the Secretary shall sub-  
6           mit to the congressional defense committees a report on  
7           progress made toward achieving the goals set forth in sub-  
8           section (c). Each report shall include, at a minimum—

9           (1) the percentage reduction in energy con-  
10          sumption accomplished as of the date of such report  
11          by the Department, and by each of the military de-  
12          partments, in facilities covered by the goals set forth  
13          in subsection (c)(1);

14          (2) the percentage reduction in energy con-  
15          sumption accomplished as of the date of such report  
16          by the Department, and by each of the military de-  
17          partments, in facilities covered by the goals set forth  
18          in subsection (c)(2); and

19          (3) the steps taken by the Department, and by  
20          each of the military departments, to implement the  
21          energy efficiency strategies required by subsection  
22          (d) in the preceding calendar year.

1 **SEC. 314. EXTENSION OF PILOT PROGRAM FOR SALE OF**  
2 **AIR POLLUTION EMISSION REDUCTION IN-**  
3 **CENTIVES.**

4 Section 351(a)(2) of the National Defense Authoriza-  
5 tion Act for Fiscal Year 1998 (Public Law 105–85; 10  
6 U.S.C. 2701 note) is amended by striking “September 30,  
7 2001” and inserting “September 30, 2003”.

8 **SEC. 315. REIMBURSEMENT OF ENVIRONMENTAL PROTEC-**  
9 **TION AGENCY FOR CERTAIN RESPONSE**  
10 **COSTS IN CONNECTION WITH HOOPER SANDS**  
11 **SITE, SOUTH BERWICK, MAINE.**

12 (a) **AUTHORITY TO REIMBURSE.**—Using amounts  
13 specified in subsection (c), the Secretary of the Navy may  
14 pay \$1,005,478 to the Hooper Sands Special Account  
15 within the Hazardous Substance Superfund established by  
16 section 9507 of the Internal Revenue Code of 1986 (26  
17 U.S.C. 9507) to reimburse the Environmental Protection  
18 Agency for the response costs incurred by the Environ-  
19 mental Protection Agency for actions taken between May  
20 12, 1992, and July 31, 2000, pursuant to the Comprehen-  
21 sive Environmental Response, Compensation, and Liabil-  
22 ity Act of 1980 (42 U.S.C. 9601 et seq.) at the Hooper  
23 Sands site in South Berwick, Maine, in accordance with  
24 the Interagency Agreement entered into by the Depart-  
25 ment of the Navy and the Environmental Protection Agen-  
26 cy in January 2001.

1 (b) TREATMENT OF REIMBURSEMENT.—Payment of  
 2 the amount authorized by subsection (a) shall be in full  
 3 satisfaction of amounts due from the Department of the  
 4 Navy to the Environmental Protection Agency for the re-  
 5 sponse costs described in that subsection.

6 (c) SOURCE OF FUNDS.—Payment under subsection  
 7 (a) shall be made using amounts authorized to be appro-  
 8 priated by section 301(15) to the Environmental Restora-  
 9 tion Account, Navy, established by section 2703(a)(3) of  
 10 title 10, United States Code.

11 **SEC. 316. CONFORMITY OF SURETY AUTHORITY UNDER EN-**  
 12 **VIRONMENTAL RESTORATION PROGRAM**  
 13 **WITH SURETY AUTHORITY UNDER SUPER-**  
 14 **FUND.**

15 Section 2701(j)(1) of title 10, United States Code,  
 16 is amended by striking “or after December 31, 1999”.

17 **SEC. 317. PROCUREMENT OF ALTERNATIVE FUELED AND**  
 18 **HYBRID ELECTRIC LIGHT DUTY TRUCKS.**

19 (a) DEFENSE FLEETS NOT COVERED BY REQUIRE-  
 20 MENT IN ENERGY POLICY ACT OF 1992.—(1) The Sec-  
 21 retary of Defense shall coordinate with the Administrator  
 22 of General Services to ensure that only hybrid electric ve-  
 23 hicles are procured by the Administrator for the Depart-  
 24 ment of Defense fleet of light duty trucks that is not in

1 a fleet of vehicles to which section 303 of the Energy Pol-  
2 icy Act of 1992 (42 U.S.C. 13212) applies.

3 (2) The Secretary, in consultation with the Adminis-  
4 trator, may waive the policy regarding the procurement  
5 of hybrid electric vehicles in paragraph (1) to the extent  
6 that the Secretary determines necessary—

7 (A) in the case of trucks that are exempt from  
8 the requirements of section 303 of the Energy Policy  
9 Act of 1992 (42 U.S.C. 13212) for national security  
10 reasons under subsection (b)(3)(E) of such section,  
11 to meet specific requirements of the Department of  
12 Defense for capabilities of light duty trucks;

13 (B) to procure vehicles consistent with the  
14 standards applicable to the procurement of fleet ve-  
15 hicles for the Federal Government; or

16 (C) to adjust to limitations on the commercial  
17 availability of light duty trucks that are hybrid elec-  
18 tric vehicles.

19 (3) This subsection applies with respect to procure-  
20 ments of light duty trucks in fiscal year 2005 and subse-  
21 quent fiscal years.

22 (b) REQUIREMENT TO EXCEED REQUIREMENT IN  
23 ENERGY POLICY ACT OF 1992.—(1) The Secretary of De-  
24 fense shall coordinate with the Administrator of General  
25 Services to ensure that, of the light duty trucks procured

1 in fiscal years after fiscal year 2004 for the fleets of light  
2 duty vehicles of the Department of Defense to which sec-  
3 tion 303 of the Energy Policy Act of 1992 (42 U.S.C.  
4 13212) applies—

5 (A) five percent of the total number of such  
6 trucks that are procured in each of fiscal years 2005  
7 and 2006 are alternative fueled vehicles or hybrid  
8 electric vehicles; and

9 (B) ten percent of the total number of such  
10 trucks that are procured in each fiscal year after fis-  
11 cal year 2006 are alternative fueled vehicles or hy-  
12 brid electric vehicles.

13 (2) Light duty trucks acquired for the Department  
14 of Defense that are counted to comply with section 303  
15 of the Energy Policy Act of 1992 (42 U.S.C. 13212) for  
16 a fiscal year shall be counted to determine the total num-  
17 ber of light duty trucks procured for the Department of  
18 Defense for that fiscal year for the purposes of paragraph  
19 (1), but shall not be counted to satisfy the requirement  
20 in that paragraph.

21 (c) REPORT ON PLANS FOR IMPLEMENTATION.—At  
22 the same time that the President submits the budget for  
23 fiscal year 2003 to Congress under section 1105(a) of title  
24 31, United States Code, the Secretary shall submit to

1 Congress a report summarizing the plans for carrying out  
2 subsections (a) and (b).

3 (d) DEFINITIONS.—In this section:

4 (1) The term “hybrid electric vehicle” means a  
5 motor vehicle that draws propulsion energy from on-  
6 board sources of stored energy that are both—

7 (A) an internal combustion or heat engine  
8 using combustible fuel; and

9 (B) a rechargeable energy storage system.

10 (2) The term “alternative fueled vehicle” has  
11 the meaning given that term in section 301 of the  
12 Energy Policy Act of 1992 (43 U.S.C. 13211).

13 **Subtitle C—Commissaries and Non-**  
14 **appropriated Fund Instrumen-**  
15 **talities**

16 **SEC. 321. REBATE AGREEMENTS WITH PRODUCERS OF**  
17 **FOODS PROVIDED UNDER THE SPECIAL SUP-**  
18 **PLEMENTAL FOOD PROGRAM.**

19 Section 1060a(b) of title 10, United States Code, is  
20 amended—

21 (1) by striking “(b) FUNDING MECHANISM.—”  
22 and inserting “(b) FUNDING.—(1); and

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

1       “(2)(A) In the administration of the program under  
2 this section, the Secretary of Defense may enter into a  
3 contract with a producer of a particular brand of food that  
4 provides for—

5           “(i) the Secretary of Defense to procure that  
6 particular brand of food, exclusive of other brands of  
7 the same or similar food, for the purpose of pro-  
8 viding the food in commissary stores of the Depart-  
9 ment of Defense as a supplemental food under the  
10 program; and

11           “(ii) the producer to rebate to the Department  
12 of Defense amounts equal to agreed portions of the  
13 amounts paid by the department for the procure-  
14 ment of that particular brand of food for the pro-  
15 gram.

16       “(B) The Secretary shall use competitive procedures  
17 under chapter 137 of this title for entering into contracts  
18 under this paragraph.

19       “(C) The period covered by a contract entered into  
20 under this paragraph may not exceed one year. No such  
21 contract may be extended by a modification of the con-  
22 tract, by exercise of an option, or by any other means.  
23 Nothing in this subparagraph prohibits a contractor under  
24 a contract entered into under this paragraph for any year  
25 from submitting an offer for, and being awarded, a con-

1 tract that is to be entered into under this paragraph for  
2 a successive year.

3 “(D) Amounts rebated under a contract entered into  
4 under subparagraph (A) shall be credited to the appro-  
5 priation available for carrying out the program under this  
6 section in the fiscal year in which rebated, shall be merged  
7 with the other sums in that appropriation, and shall be  
8 available for the program for the same period as the other  
9 sums in the appropriation.”.

10 **SEC. 322. REIMBURSEMENT FOR USE OF COMMISSARY FA-**  
11 **CILITIES BY MILITARY DEPARTMENTS FOR**  
12 **PURPOSES OTHER THAN COMMISSARY**  
13 **SALES.**

14 (a) REQUIREMENT.—Chapter 147 of title 10, United  
15 States Code, is amended by inserting after section 2482a  
16 the following new section:

17 **“§ 2483. Commissary stores: reimbursement for use of**  
18 **commissary facilities by military depart-**  
19 **ments**

20 “(a) PAYMENT REQUIRED.—The Secretary of a mili-  
21 tary department shall pay the Defense Commissary Agen-  
22 cy the amount determined under subsection (b) for any  
23 use of a commissary facility by the military department  
24 for a purpose other than commissary sales or operations  
25 in support of commissary sales.

1       “(b) AMOUNT.—The amount payable under sub-  
2 section (a) for use of a commissary facility by a military  
3 department shall be equal to the share of depreciation of  
4 the facility that is attributable to that use, as determined  
5 under regulations prescribed by the Secretary of Defense.

6       “(c) COVERED FACILITIES.—This section applies  
7 with respect to a commissary facility that is acquired, con-  
8 structed, converted, expanded, installed, or otherwise im-  
9 proved (in whole or in part) with the proceeds of an ad-  
10 justment or surcharge applied under section 2486(c) of  
11 this title.

12       “(d) CREDITING OF PAYMENTS.—The Director of the  
13 Defense Commissary Agency shall credit amounts paid  
14 under this section for use of a facility to an appropriate  
15 account to which proceeds of an adjustment or surcharge  
16 referred to in subsection (c) are credited.”.

17       (b) CLERICAL AMENDMENT.—The table of sections  
18 at the beginning of such chapter is amended by inserting  
19 after the item relating to section 2482a the following new  
20 item:

“2483. Commissary stores: reimbursement for use of commissary facilities by  
military departments.”.

1 **SEC. 323. PUBLIC RELEASES OF COMMERCIALY VALU-**  
2 **ABLE INFORMATION OF COMMISSARY**  
3 **STORES.**

4 (a) LIMITATIONS AND AUTHORITY.—Section 2487 of  
5 title 10, United States Code, is amended to read as fol-  
6 lows:

7 **“§ 2487. Commissary stores: release of certain com-**  
8 **mercially valuable information to the**  
9 **public**

10 “(a) AUTHORITY TO LIMIT RELEASE.—(1) The Sec-  
11 retary of Defense may limit the release to the public of  
12 any information described in paragraph (2) if the Sec-  
13 retary determines that it is in the best interest of the De-  
14 partment of Defense to limit the release of such informa-  
15 tion. If the Secretary determines to limit the release of  
16 any such information, the Secretary may provide for lim-  
17 ited release of such information in accordance with sub-  
18 section (b).

19 “(2) Paragraph (1) applies to the following:

20 “(A) Information contained in the computerized  
21 business systems of commissary stores or the De-  
22 fense Commissary Agency that is collected through  
23 or in connection with the use of electronic scanners  
24 in commissary stores, including the following infor-  
25 mation:

1                   “(i) Data relating to sales of goods or serv-  
2                   ices.

3                   “(ii) Demographic information on cus-  
4                   tomers.

5                   “(iii) Any other information pertaining to  
6                   commissary transactions and operations.

7                   “(B) Business programs, systems, and applica-  
8                   tions (including software) relating to commissary op-  
9                   erations that were developed with funding derived  
10                  from commissary surcharges.

11                  “(b) RELEASE AUTHORITY.—(1) The Secretary of  
12                  Defense may, using competitive procedures, enter into a  
13                  contract to sell information described in subsection (a)(2).

14                  “(2) The Secretary of Defense may release, without  
15                  charge, information on an item sold in commissary stores  
16                  to—

17                   “(A) the manufacturer or producer of that  
18                   item; or

19                   “(B) the manufacturer or producer’s agent  
20                   when necessary to accommodate electronic ordering  
21                   of the item by commissary stores.

22                  “(3) The Secretary of Defense may, by contract en-  
23                  tered into with a business, grant to the business a license  
24                  to use business programs referred to in subsection  
25                  (a)(2)(B), including software used in or comprising any

1 such program. The fee charged for the license shall be  
2 based on the costs of similar programs developed and mar-  
3 keted by businesses in the private sector, determined by  
4 means of surveys.

5 “(4) Each contract entered into under this subsection  
6 shall specify the amount to be paid for information re-  
7 leased or a license granted under the contract, as the case  
8 may be.

9 “(c) FORM OF RELEASE.—Information described in  
10 subsection (a)(2) may not be released, under subsection  
11 (b) or otherwise, in a form that identifies any customer  
12 or that provides information making it possible to identify  
13 any customer.

14 “(d) RECEIPTS.—Amounts received by the Secretary  
15 under this section shall be credited to funds derived from  
16 commissary surcharges, shall be merged with those funds,  
17 and shall be available for the same purposes as the funds  
18 with which merged.

19 “(e) DEFINITIONS.—In this section, the term ‘com-  
20 missary surcharge’ means any adjustment or surcharge  
21 applied under section 2486(c) of this title.”.

22 (b) CLERICAL AMENDMENT.—The table of sections  
23 at the beginning of chapter 147 of such title is amended  
24 to read as follows:

“2487. Commissary stores: release of certain commercially valuable information  
to the public.”.

1                   **Subtitle D—Other Matters**

2   **SEC. 331. CODIFICATION OF AUTHORITY FOR DEPARTMENT**  
3                   **OF DEFENSE SUPPORT FOR COUNTERDRUG**  
4                   **ACTIVITIES OF OTHER GOVERNMENTAL**  
5                   **AGENCIES.**

6           (a) **AUTHORITY.**—(1) Chapter 18 of title 10, United  
7 States Code, is amended by adding at the end the fol-  
8 lowing new section:

9   **“§ 383. Additional support for counterdrug activities**  
10                   **of other agencies**

11           “(a) **SUPPORT TO OTHER AGENCIES.**—The Secretary  
12 of Defense may provide support for the counterdrug activi-  
13 ties of any other department or agency of the Federal Gov-  
14 ernment or of any State, local, or foreign law enforcement  
15 agency for any of the purposes set forth in subsection (b)  
16 if such support is requested—

17                   “(1) by the official who has responsibility for  
18 the counterdrug activities of the department or  
19 agency of the Federal Government, in the case of  
20 support for the department or agency;

21                   “(2) by the appropriate official of a State or  
22 local government, in the case of support for the  
23 State or local law enforcement agency; or

24                   “(3) by an appropriate official of a department  
25 or agency of the Federal Government that has

1 counterdrug responsibilities, in the case of support  
2 for a foreign law enforcement agency.

3 “(b) TYPES OF SUPPORT.—The purposes for which  
4 the Secretary may provide support under subsection (a)  
5 are the following:

6 “(1) The maintenance and repair of equipment  
7 that has been made available to any department or  
8 agency of the Federal Government or to any State  
9 or local government by the Department of Defense  
10 for the purposes of—

11 “(A) preserving the potential future utility  
12 of such equipment for the Department of De-  
13 fense; and

14 “(B) upgrading such equipment to ensure  
15 compatibility of that equipment with other  
16 equipment used by the Department of Defense.

17 “(2) The maintenance, repair, or upgrading of  
18 equipment (including computer software), other than  
19 equipment referred to in subparagraph (A) for the  
20 purpose of—

21 “(A) ensuring that the equipment being  
22 maintained or repaired is compatible with  
23 equipment used by the Department of Defense;  
24 and

1           “(B) upgrading such equipment to ensure  
2           the compatibility of that equipment with equip-  
3           ment used by the Department of Defense.

4           “(3) The transportation of personnel of the  
5           United States and foreign countries (including per  
6           diem expenses associated with such transportation),  
7           and the transportation of supplies and equipment,  
8           for the purpose of facilitating counterdrug activities  
9           within or outside the United States.

10           “(4) The establishment (including an unspec-  
11           ified minor military construction project) and oper-  
12           ation of bases of operations or training facilities for  
13           the purpose of facilitating counterdrug activities of  
14           the Department of Defense or any Federal, State, or  
15           local law enforcement agency within or outside the  
16           United States or counterdrug activities of a foreign  
17           law enforcement agency outside the United States.

18           “(5) Counterdrug related training of law en-  
19           forcement personnel of the Federal Government, of  
20           State and local governments, and of foreign coun-  
21           tries, including associated support expenses for  
22           trainees and the provision of materials necessary to  
23           carry out such training.

24           “(6) The detection, monitoring, and commu-  
25           nication of the movement of—

1           “(A) air and sea traffic within 25 miles of  
2           and outside the geographic boundaries of the  
3           United States; and

4           “(B) surface traffic outside the geographic  
5           boundary of the United States and within the  
6           United States not to exceed 25 miles of the  
7           boundary if the initial detection occurred out-  
8           side of the boundary.

9           “(7) Construction of roads and fences and in-  
10          stallation of lighting to block drug smuggling cor-  
11          ridors across international boundaries of the United  
12          States.

13          “(8) Establishment of command, control, com-  
14          munications, and computer networks for improved  
15          integration of law enforcement, active military, and  
16          National Guard activities.

17          “(9) The provision of linguist and intelligence  
18          analysis services.

19          “(10) Aerial and ground reconnaissance.

20          “(c) LIMITATION ON COUNTERDRUG REQUIRE-  
21          MENTS.—The Secretary of Defense may not limit the re-  
22          quirements for which support may be provided under sub-  
23          section (a) only to critical, emergent, or unanticipated re-  
24          quirements.

1       “(d) CONTRACT AUTHORITY.—In carrying out sub-  
2 section (a), the Secretary of Defense may acquire services  
3 or equipment by contract for support provided under that  
4 subsection if the Department of Defense would normally  
5 acquire such services or equipment by contract for the  
6 purpose of conducting a similar activity for the Depart-  
7 ment of Defense.

8       “(e) LIMITED WAIVER OF PROHIBITION.—Notwith-  
9 standing section 376 of this title, the Secretary of Defense  
10 may provide support pursuant to subsection (a) in any  
11 case in which the Secretary determines that the provision  
12 of such support would adversely affect the military pre-  
13 paredness of the United States in the short term if the  
14 Secretary determines that the importance of providing  
15 such support outweighs such short-term adverse effect.

16       “(f) CONDUCT OF TRAINING OR OPERATION TO AID  
17 CIVILIAN AGENCIES.—In providing support pursuant to  
18 subsection (a), the Secretary of Defense may plan and exe-  
19 cute otherwise valid military training or operations (in-  
20 cluding training exercises undertaken pursuant to section  
21 1206(a) of the National Defense Authorization Act for  
22 Fiscal Years 1990 and 1991 (Public Law 101–189; 103  
23 Stat. 1564; 10 U.S.C. 124 note)) for the purpose of aiding  
24 civilian law enforcement agencies.

1       “(g) RELATIONSHIP TO OTHER LAWS.—(1) The au-  
2 thority provided in this section for the support of  
3 counterdrug activities by the Department of Defense is in  
4 addition to, and except as provided in paragraph (2), not  
5 subject to the requirements of any other provision of this  
6 chapter.

7       “(2) Support under this section shall be subject to  
8 the provisions of section 375 and, except as provided in  
9 subsection (e), section 376 of this title.

10       “(h) CONGRESSIONAL NOTIFICATION OF FACILITIES  
11 PROJECTS.—(1) When a decision is made to carry out a  
12 military construction project described in paragraph (2),  
13 the Secretary of Defense shall submit to the committees  
14 of Congress named in paragraph (3) a written notice of  
15 the decision, including the justification for the project and  
16 the estimated cost of the project. The project may be com-  
17 menced only after the end of the 21-day period beginning  
18 on the date on which the written notice is received by the  
19 committees.

20       “(2) Paragraph (1) applies to an unspecified minor  
21 military construction project that—

22               “(A) is intended for the modification or repair  
23 of a Department of Defense facility for the purpose  
24 set forth in subsection (b)(4); and

1           “(B) has an estimated cost of more than  
2           \$500,000.

3           “(3) The committees referred to in paragraph (1) are  
4 as follows:

5           “(A) The Committee on Armed Services and  
6           the Committee on Appropriations of the Senate.

7           “(B) The Committee on Armed Services and  
8           the Committee on Appropriations of the House of  
9           Representatives.”.

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

          “383. Additional support for counterdrug activities of other agencies.”.

13          (b) REPEAL OF SUPERSEDED PROVISION.—Section  
14 1004 of the National Defense Authorization Act for Fiscal  
15 Year 1991 (Public Law 101–510; 10 U.S.C. 374 note) is  
16 repealed.

17          (c) SAVINGS PROVISION.—The repeal of section 1004  
18 of the National Defense Authorization Act for Fiscal Year  
19 1991 by subsection (b) shall not affect any support pro-  
20 vided under that section that is ongoing as of the date  
21 of the enactment of this Act. The support may be contin-  
22 ued in accordance with section 383 of title 10, United  
23 States Code, as added by subsection (a).

1 **SEC. 332. EXCLUSION OF CERTAIN EXPENDITURES FROM**  
2 **LIMITATION ON PRIVATE SECTOR PERFORM-**  
3 **ANCE OF DEPOT-LEVEL MAINTENANCE.**

4 (a) AMOUNTS EXCLUDED.—Amounts expended out  
5 of funds described in subsection (b) for the performance  
6 of a depot-level maintenance and repair workload by non-  
7 Federal Government personnel at a Center of Industrial  
8 and Technical Excellence designated pursuant to section  
9 2474(a) of title 10, United States Code, shall not be  
10 counted for purposes of section 2466(a) of such title if  
11 the personnel are provided by private industry pursuant  
12 to a public-private partnership undertaken by the Center  
13 under section 2474(b) of such title.

14 (b) FUNDS FOR FISCAL YEARS 2002 THROUGH  
15 2004.—The funds referred to in subsection (a) are funds  
16 available to the military departments for depot-level main-  
17 tenance and repair workloads for fiscal years 2002, 2003,  
18 and 2004.

19 **SEC. 333. REPAIR, RESTORATION, AND PRESERVATION OF**  
20 **LAFAYETTE ESCADRILLE MEMORIAL,**  
21 **MARNES LA-COQUETTE, FRANCE.**

22 (a) AUTHORITY TO MAKE GRANT.—The Secretary of  
23 the Air Force may, using amounts specified in subsection  
24 (d), make a grant to the Lafayette Escadrille Memorial  
25 Foundation, Inc., for purposes of the repair, restoration,  
26 and preservation of the structure, plaza, and surrounding

1 grounds of the Lafayette Escadrille Memorial in Marnes  
2 la-Coquette, France.

3 (b) GRANT AMOUNT.—The amount of the grant  
4 under subsection (a) may not exceed \$2,000,000.

5 (c) USE OF GRANT.—Amounts from the grant under  
6 this section shall be used solely for the purposes described  
7 in subsection (a). None of such amounts may be used for  
8 remuneration of any entity or individual associated with  
9 fundraising for any project for such purposes.

10 (d) FUNDS FOR GRANT.—Funds for the grant under  
11 this section shall be derived from amounts authorized to  
12 be appropriated by section 301(4) for operation and main-  
13 tenance for the Air Force for fiscal year 2002.

14 **SEC. 334. IMPLEMENTATION OF THE NAVY-MARINE CORPS**  
15 **INTRANET CONTRACT.**

16 (a) ADDITIONAL PHASE-IN AUTHORITY.—Subsection  
17 (b) of section 814 of the Floyd D. Spence National De-  
18 fense Authorization Act for Fiscal Year 2001 (as enacted  
19 by Public Law 106–398; 114 Stat. 1654A–215) is amend-  
20 ed by adding at the end the following new paragraphs:

21 “(5)(A) The Secretary of the Navy may, before the  
22 submittal of the joint certification referred to in paragraph  
23 (3)(D), contract for one or more additional increments of  
24 work stations under the Navy-Marine Corps Intranet con-  
25 tract, with the number of work stations to be ordered in

1 each additional increment to be determined by the Under  
2 Secretary of Defense for Acquisition, Technology, and Lo-  
3 gistics.

4 “(B) Upon determining the number of work stations  
5 in an additional increment for purposes of subparagraph  
6 (A), the Under Secretary of Defense for Acquisition, Tech-  
7 nology, and Logistics shall submit to the congressional de-  
8 fense committees a report, current as of the date of such  
9 determination, on the following:

10 “(i) The number of work stations operating on  
11 the Navy-Marine Corps Intranet.

12 “(ii) The status of testing and implementation  
13 of the Navy-Marine Corps Intranet program.

14 “(iii) The number of work stations to be con-  
15 tracted for in the additional increment.

16 “(C) The Under Secretary of Defense for Acquisition,  
17 Technology, and Logistics may not make a determination  
18 to order any number of work stations to be contracted for  
19 under subparagraph (A) in excess of the number per-  
20 mitted under paragraph (2) until—

21 “(i) the completion of a three-phase contractor  
22 test and user evaluation, observed by the Depart-  
23 ment of Defense, of the work stations operating on  
24 the Navy-Marine Corps Intranet at the first three

1 sites under the Navy-Marine Corps Intranet pro-  
2 gram; and

3 “(ii) the Chief Information Officer of the Navy  
4 has certified to the Secretary of the Navy and the  
5 Chief Information Officer of the Department of De-  
6 fense that the results of the test and evaluation re-  
7 ferred to in clause (i) are acceptable.

8 “(D) The Under Secretary of Defense for Acquisi-  
9 tion, Technology, and Logistics may not make a deter-  
10 mination to order any number of work stations to be con-  
11 tracted for under subparagraph (A) in excess of the num-  
12 ber provided for under subparagraph (C) until—

13 “(i) there has been a full transition of not less  
14 than 20,000 work stations to the Navy-Marine  
15 Corps Intranet;

16 “(ii) the work stations referred to in clause (i)  
17 have met service-level agreements specified in the  
18 Navy-Marine Corps Intranet contract for not less  
19 than 30 days, as determined by contractor perform-  
20 ance measurement under oversight by the Depart-  
21 ment of the Navy; and

22 “(iii) the Chief Information Officer of the De-  
23 partment of Defense and the Assistant Secretary of  
24 Defense for Command, Control, Communications,  
25 and Intelligence jointly certify to the congressional

1 defense committees that the results of testing of the  
2 work stations referred to in clause (i) are accept-  
3 able.”.

4 (b) DEFINITIONS.—Subsection (f) of that section is  
5 amended to read as follows:

6 “(f) DEFINITIONS.—In this section:

7 “(1) The term ‘Navy-Marine Corps Intranet  
8 contract’ means a contract providing for a long-term  
9 arrangement of the Department of the Navy with  
10 the commercial sector that imposes on the contractor  
11 a responsibility for, and transfers to the contractor  
12 the risk of, providing and managing the significant  
13 majority of desktop, server, infrastructure, and com-  
14 munication assets and services of the Department of  
15 the Navy.

16 “(2) The term ‘provide’, in the case of a work  
17 station under the Navy-Marine Corps Intranet con-  
18 tract, means transfer of the legacy information in-  
19 frastructure and systems of the user of the work sta-  
20 tion to Navy-Marine Corps Intranet infrastructure  
21 and systems of the work station under the Navy-Ma-  
22 rine Corps Intranet contract and performance there-  
23 of consistent with the service-level agreements speci-  
24 fied in the Navy-Marine Corps Intranet contract.”.

1                   **TITLE IV—MILITARY**  
2           **PERSONNEL AUTHORIZATIONS**  
3                   **Subtitle A—Active Forces**

4   **SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

5           The Armed Forces are authorized strengths for active  
6 duty personnel as of September 30, 2002, as follows:

- 7                   (1) The Army, 480,000.  
8                   (2) The Navy, 376,000.  
9                   (3) The Marine Corps, 172,600.  
10                  (4) The Air Force, 358,800.

11   **SEC. 402. AUTHORIZED DAILY AVERAGE ACTIVE DUTY**  
12                   **STRENGTH FOR NAVY ENLISTED MEMBERS**  
13                   **IN PAY GRADE E-8.**

14           (a) IN GENERAL.—Section 517(a) of title 10, United  
15 States Code, is amended by inserting “or the Navy” after  
16 “in the case of the Army”.

17           (b) APPLICABILITY.—The amendment made by sub-  
18 section (a) shall take effect on October 1, 2001, and shall  
19 apply with respect to fiscal years beginning on or after  
20 that date.

21                   **Subtitle B—Reserve Forces**

22   **SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

23           (a) IN GENERAL.—The Armed Forces are authorized  
24 strengths for Selected Reserve personnel of the reserve  
25 components as of September 30, 2002, as follows:

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

3           (2) The Army Reserve, 205,000.

4           (3) The Naval Reserve, 87,000.

5           (4) The Marine Corps Reserve, 39,558.

6           (5) The Air National Guard of the United  
7 States, 108,400.

8           (6) The Air Force Reserve, 74,700.

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

10          (b) ADJUSTMENTS.—The end strengths prescribed by  
11 subsection (a) for the Selected Reserve of any reserve com-  
12 ponent shall be proportionately reduced by—

13           (1) the total authorized strength of units orga-  
14 nized to serve as units of the Selected Reserve of  
15 such component which are on active duty (other  
16 than for training) at the end of the fiscal year; and

17           (2) the total number of individual members not  
18 in units organized to serve as units of the Selected  
19 Reserve of such component who are on active duty  
20 (other than for training or for unsatisfactory partici-  
21 pation in training) without their consent at the end  
22 of the fiscal year.

23 Whenever such units or such individual members are re-  
24 leased from active duty during any fiscal year, the end  
25 strength prescribed for such fiscal year for the Selected

1 Reserve of such reserve component shall be proportion-  
2 ately increased by the total authorized strengths of such  
3 units and by the total number of such individual members.

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

6 Within the end strengths prescribed in section  
7 411(a), the reserve components of the Armed Forces are  
8 authorized, as of September 30, 2002, the following num-  
9 ber of Reserves to be serving on full-time active duty or  
10 full-time duty, in the case of members of the National  
11 Guard, for the purpose of organizing, administering, re-  
12 cruiting, instructing, or training the reserve components:

13 (1) The Army National Guard of the United  
14 States, 23,698.

15 (2) The Army Reserve, 13,406.

16 (3) The Naval Reserve, 14,811.

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

18 (5) The Air National Guard of the United  
19 States, 11,591.

20 (6) The Air Force Reserve, 1,437.

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

23 The minimum number of military technicians (dual  
24 status) as of the last day of fiscal year 2002 for the re-  
25 serve components of the Army and the Air Force (notwith-

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

3 (1) For the Army Reserve, 6,249.

4 (2) For the Army National Guard of the United  
5 States, 23,615.

6 (3) For the Air Force Reserve, 9,818.

7 (4) For the Air National Guard of the United  
8 States, 22,422.

9 **SEC. 414. FISCAL YEAR 2002 LIMITATION ON NON-DUAL STA-**  
10 **TUS TECHNICIANS.**

11 (a) LIMITATION.—The number of non-dual status  
12 technicians employed by the reserve components of the  
13 Army and the Air Force as of September 30, 2002, may  
14 not exceed the following:

15 (1) For the Army Reserve, 1,095.

16 (2) For the Army National Guard of the United  
17 States, 1,600.

18 (3) For the Air Force Reserve, 0.

19 (4) For the Air National Guard of the United  
20 States, 350.

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

1 **SEC. 415. LIMITATIONS ON NUMBERS OF RESERVE PER-**  
 2 **SONNEL SERVING ON ACTIVE DUTY OR FULL-**  
 3 **TIME NATIONAL GUARD DUTY IN CERTAIN**  
 4 **GRADES FOR ADMINISTRATION OF RESERVE**  
 5 **COMPONENTS.**

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

8 “(a) LIMITATIONS.—(1) Of the total number of mem-  
 9 bers of a reserve component who are serving on full-time  
 10 reserve component duty at the end of any fiscal year, the  
 11 number of those members who may be serving in each of  
 12 the grades of major, lieutenant colonel, and colonel may  
 13 not, as of the end of that fiscal year, exceed the number  
 14 determined in accordance with the following table:

Total number of members of a reserve component serving on full-time reserve component duty:	Number of officers of that reserve component who may be serving in the grade of:		
	Major	Lieutenant Colonel	Colonel
Army Reserve:			
10,000 .....	1,390	740	230
11,000 .....	1,529	803	242
12,000 .....	1,668	864	252
13,000 .....	1,804	924	262
14,000 .....	1,940	984	272
15,000 .....	2,075	1,044	282
16,000 .....	2,210	1,104	291
17,000 .....	2,345	1,164	300
18,000 .....	2,479	1,223	309
19,000 .....	2,613	1,282	318
20,000 .....	2,747	1,341	327
21,000 .....	2,877	1,400	336
Army National Guard:			
20,000 .....	1,500	850	325
22,000 .....	1,650	930	350
24,000 .....	1,790	1,010	370
26,000 .....	1,930	1,085	385
28,000 .....	2,070	1,160	400
30,000 .....	2,200	1,235	405
32,000 .....	2,330	1,305	408
34,000 .....	2,450	1,375	411
36,000 .....	2,570	1,445	411
38,000 .....	2,670	1,515	411
40,000 .....	2,770	1,580	411
42,000 .....	2,837	1,644	411
Marine Corps Reserve:			
1,100 .....	106	56	20
1,200 .....	110	60	21

Total number of members of a reserve component serving on full-time reserve component duty:	Number of officers of that reserve component who may be serving in the grade of:		
	Major	Lieutenant Colonel	Colonel
1,300 .....	114	63	22
1,400 .....	118	66	23
1,500 .....	121	69	24
1,600 .....	124	72	25
1,700 .....	127	75	26
1,800 .....	130	78	27
1,900 .....	133	81	28
2,000 .....	136	84	29
2,100 .....	139	87	30
2,200 .....	141	90	31
2,300 .....	143	92	32
2,400 .....	145	94	33
2,500 .....	147	96	34
2,600 .....	149	98	35
Air Force Reserve:			
500 .....	83	85	50
1,000 .....	155	165	95
1,500 .....	220	240	135
2,000 .....	285	310	170
2,500 .....	350	369	203
3,000 .....	413	420	220
3,500 .....	473	464	230
4,000 .....	530	500	240
4,500 .....	585	529	247
5,000 .....	638	550	254
5,500 .....	688	565	261
6,000 .....	735	575	268
7,000 .....	770	595	280
8,000 .....	805	615	290
10,000 .....	835	635	300
Air National Guard:			
5,000 .....	333	335	251
6,000 .....	403	394	260
7,000 .....	472	453	269
8,000 .....	539	512	278
9,000 .....	606	571	287
10,000 .....	673	630	296
11,000 .....	740	688	305
12,000 .....	807	742	314
13,000 .....	873	795	323
14,000 .....	939	848	332
15,000 .....	1,005	898	341
16,000 .....	1,067	948	350
17,000 .....	1,126	998	359
18,000 .....	1,185	1,048	368
19,000 .....	1,235	1,098	377
20,000 .....	1,283	1,148	380.

1           “(2) Of the total number of members of the Naval  
2 Reserve who are serving on full-time reserve component  
3 duty at the end of any fiscal year, the number of those  
4 members who may be serving in each of the grades of lieu-  
5 tenant commander, commander, and captain may not, as  
6 of the end of that fiscal year, exceed the number deter-  
7 mined in accordance with the following table:

“Total number of members of Naval Reserve serving on full-time reserve component duty:	Number of officers who may be serving in the grade of:		
	Lieutenant commander	Commander	Captain
10,000 .....	807	447	141
11,000 .....	867	467	153
12,000 .....	924	485	163
13,000 .....	980	503	173
14,000 .....	1,035	521	183
15,000 .....	1,088	538	193
16,000 .....	1,142	555	203
17,000 .....	1,195	565	213
18,000 .....	1,246	575	223
19,000 .....	1,291	585	233
20,000 .....	1,334	595	242
21,000 .....	1,364	603	250
22,000 .....	1,384	610	258
23,000 .....	1,400	615	265
24,000 .....	1,410	620	270.

1           “(b) DETERMINATIONS BY INTERPOLATION.—If the  
2 total number of members of a reserve component serving  
3 on full-time reserve component duty is between any two  
4 consecutive numbers in the first column of the appropriate  
5 table in paragraph (1) or (2) of subsection (a), the cor-  
6 responding authorized strengths for each of the grades  
7 shown in that table for that component are determined  
8 by mathematical interpolation between the respective  
9 numbers of the two strengths. If the total number of mem-  
10 bers of a reserve component serving on full-time reserve  
11 component duty is more or less than the highest or lowest  
12 number, respectively, set forth in the first column of the  
13 appropriate table in paragraph (1) or (2) of subsection  
14 (a), the Secretary concerned shall fix the corresponding  
15 strengths for the grades shown in that table at the same  
16 proportion as is reflected in the nearest limit shown in  
17 the table.

1       “(c) REALLOCATIONS TO LOWER GRADES.—When-  
2 ever the number of officers serving in any grade for duty  
3 described in subsection (a) is less than the number author-  
4 ized for that grade under this section, the difference be-  
5 tween the two numbers may be applied to increase the  
6 number authorized under this section for any lower grade.

7       “(d) SECRETARIAL WAIVER.—Upon determining that  
8 it is in the national interest to do so, the Secretary of  
9 Defense may increase for a particular fiscal year the num-  
10 ber of reserve officers that may be on full-time reserve  
11 component duty for a reserve component in a grade re-  
12 ferred to in a table in subsection (a) by a number that  
13 does not exceed the number equal to 5 percent of the max-  
14 imum number specified for the grade in that table.

15       “(e) FULL-TIME RESERVE COMPONENT DUTY DE-  
16 FINED.—In this section, the term ‘full-time reserve com-  
17 ponent duty’ means the following duty:

18               “(1) Active duty described in sections 10211,  
19               10302, 10303, 10304, 10305, 12310, or 12402 of  
20               this title.

21               “(2) Full-time National Guard duty (other than  
22               for training) under section 502(f) of title 32.

23               “(3) Active duty described in section 708 of  
24               title 32.”.

1 (b) SENIOR ENLISTED MEMBERS.—The text of sec-  
 2 tion 12012 of title 10, United States Code, is amended  
 3 to read as follows:

4 “(a) LIMITATIONS.—(1) Of the total number of mem-  
 5 bers of a reserve component who are serving on full-time  
 6 reserve component duty at the end of any fiscal year, the  
 7 number of those members in each of pay grades of  
 8 E–8 and E–9 who may be serving on active duty under  
 9 section 10211 or 12310, or on full-time National Guard  
 10 duty under the authority of section 502(f) of title 32  
 11 (other than for training) in connection with organizing,  
 12 administering, recruiting, instructing, or training the re-  
 13 serve components or the National Guard may not, as of  
 14 the end of that fiscal year, exceed the number determined  
 15 in accordance with the following table:

“Total number of members of a reserve component serving on full-time reserve component duty:	Number of members of that reserve component who may be serving in the grade of:	
	E–8	E–9
Army Reserve:		
10,000 .....	1,052	154
11,000 .....	1,126	168
12,000 .....	1,195	180
13,000 .....	1,261	191
14,000 .....	1,327	202
15,000 .....	1,391	213
16,000 .....	1,455	224
17,000 .....	1,519	235
18,000 .....	1,583	246
19,000 .....	1,647	257
20,000 .....	1,711	268
21,000 .....	1,775	278
Army National Guard:		
20,000 .....	1,650	550
22,000 .....	1,775	615
24,000 .....	1,900	645
26,000 .....	1,945	675
28,000 .....	1,945	705
30,000 .....	1,945	725
32,000 .....	1,945	730
34,000 .....	1,945	735
36,000 .....	1,945	738
38,000 .....	1,945	741
40,000 .....	1,945	743
42,000 .....	1,945	743

*Total number of members of a reserve component serving on full-time reserve component duty:	Number of members of that reserve component who may be serving in the grade of:	
	E-8	E-9
Naval Reserve:		
10,000 .....	340	143
11,000 .....	364	156
12,000 .....	386	169
13,000 .....	407	182
14,000 .....	423	195
15,000 .....	435	208
16,000 .....	447	221
17,000 .....	459	234
18,000 .....	471	247
19,000 .....	483	260
20,000 .....	495	273
21,000 .....	507	286
22,000 .....	519	299
23,000 .....	531	312
24,000 .....	540	325
Marine Corps Reserve:		
1,100 .....	50	11
1,200 .....	55	12
1,300 .....	60	13
1,400 .....	65	14
1,500 .....	70	15
1,600 .....	75	16
1,700 .....	80	17
1,800 .....	85	18
1,900 .....	89	19
2,000 .....	93	20
2,100 .....	96	21
2,200 .....	99	22
2,300 .....	101	23
2,400 .....	103	24
2,500 .....	105	25
2,600 .....	107	26
Air Force Reserve:		
500 .....	75	40
1,000 .....	145	75
1,500 .....	208	105
2,000 .....	270	130
2,500 .....	325	150
3,000 .....	375	170
3,500 .....	420	190
4,000 .....	460	210
4,500 .....	495	230
5,000 .....	530	250
5,500 .....	565	270
6,000 .....	600	290
7,000 .....	670	330
8,000 .....	740	370
10,000 .....	800	400
Air National Guard		
5,000 .....	1,020	405
6,000 .....	1,070	435
7,000 .....	1,120	465
8,000 .....	1,170	490
9,000 .....	1,220	510
10,000 .....	1,270	530
11,000 .....	1,320	550
12,000 .....	1,370	570
13,000 .....	1,420	589
14,000 .....	1,470	608
15,000 .....	1,520	626
16,000 .....	1,570	644
17,000 .....	1,620	661
18,000 .....	1,670	678
19,000 .....	1,720	695
20,000 .....	1,770	712

1           “(b) DETERMINATIONS BY INTERPOLATION.—If the  
2 total number of members of a reserve component serving  
3 on full-time reserve component duty is between any two  
4 consecutive numbers in the first column of the appropriate  
5 table in paragraph (1) or (2) of subsection (a), the cor-  
6 responding authorized strengths for each of the grades  
7 shown in that table for that component are determined  
8 by mathematical interpolation between the respective  
9 numbers of the two strengths. If the total number of mem-  
10 bers of a reserve component serving on full-time reserve  
11 component duty is more or less than the highest or lowest  
12 number, respectively, set forth in the first column of the  
13 table in subsection (a), the Secretary concerned shall fix  
14 the corresponding strengths for the grades shown in the  
15 table at the same proportion as is reflected in the nearest  
16 limit shown in the table.

17           “(c) REALLOCATIONS TO LOWER GRADE.—Whenever  
18 the number of officers serving in pay grade E-9 for duty  
19 described in subsection (a) is less than the number author-  
20 ized for that grade under this section, the difference be-  
21 tween the two numbers may be applied to increase the  
22 number authorized under this section for pay grade E-  
23 8.

24           “(d) SECRETARIAL WAIVER.—Upon determining that  
25 it is in the national interest to do so, the Secretary of

1 Defense may increase for a particular fiscal year the num-  
 2 ber of reserve enlisted members that may be on active duty  
 3 or full-time National Guard duty as described in sub-  
 4 section (a) for a reserve component in a pay grade referred  
 5 to in a table in subsection (a) by a number that does not  
 6 exceed the number equal to 5 percent of the maximum  
 7 number specified for that grade and reserve component  
 8 in the table.

9 “(e) FULL-TIME RESERVE COMPONENT DUTY DE-  
 10 FINED.—In this section, the term ‘full-time reserve com-  
 11 ponent duty’ has the meaning given the term in section  
 12 12011(e) of this title.”

13 (c) EFFECTIVE DATE.—The amendments made by  
 14 this section shall take effect on October 1, 2001.

15 **SEC. 416. STRENGTH AND GRADE LIMITATION ACCOUNT-**  
 16 **ING FOR RESERVE COMPONENT MEMBERS**  
 17 **ON ACTIVE DUTY IN SUPPORT OF A CONTIN-**  
 18 **GENCY OPERATION.**

19 (a) ACTIVE DUTY STRENGTH ACCOUNTING.—Section  
 20 115(c)(1) of title 10, United States Code, is amended to  
 21 read as follows:

22 “(1) increase the end strength authorized pur-  
 23 suant to subsection (a)(1)(A) for a fiscal year for  
 24 any of the armed forces by—

1           “(A) a number equal to not more than 1  
2           percent of that end strength; and

3           “(B) the number (if any) of the members  
4           of the reserve components that, as determined  
5           by the Secretary, are on active duty under sec-  
6           tion 12301(d) of this title in support of a con-  
7           tingency operation.”.

8           (b) LIMITATION ON AUTHORIZED DAILY AVERAGE  
9           FOR MEMBERS IN PAY GRADES E-8 AND E-9 ON ACTIVE  
10          DUTY.—Section 517 of such title is amended by adding  
11          at the end the following new paragraph:

12          “(d) The Secretary of Defense may increase the au-  
13          thorized daily average number of enlisted members on ac-  
14          tive duty in an armed force in pay grade E-8 or  
15          E-9 in a fiscal year, as determined under subsection (a),  
16          by the number (if any) of enlisted members of a reserve  
17          component of that armed force in that pay grade who, as  
18          determined by the Secretary, are on active duty under sec-  
19          tion 12301(d) of this title in support of a contingency op-  
20          eration.”.

21          (c) LIMITATION ON AUTHORIZED STRENGTHS FOR  
22          COMMISSIONED OFFICERS IN PAY GRADES O-4, O-5,  
23          AND O-6 ON ACTIVE DUTY.—Section 523(b) of such title  
24          is amended—

1 (1) in paragraphs (1) and (2) of subsection (a),  
2 by striking “Except as provided in subsection (c)”  
3 and inserting “Except as provided in subsections (c)  
4 and (e)”; and

5 (2) by adding at the end the following new sub-  
6 section:

7 “(e) The Secretary of Defense may increase the limi-  
8 tation on the total number of commissioned officers of an  
9 armed force authorized to be serving on active duty at the  
10 end of any fiscal year in the grade of O-4, O-5, or  
11 O-6, determined under subsection (a), by the number (if  
12 any) of commissioned officers of a reserve component of  
13 that armed force in that grade who, as determined by the  
14 Secretary, are serving on active duty under section  
15 12301(d) of this title in support of a contingency oper-  
16 ation.”.

17 (d) LIMITATION ON AUTHORIZED STRENGTHS FOR  
18 GENERAL AND FLAG OFFICERS ON ACTIVE DUTY.—Sec-  
19 tion 526(a) of such title is amended—

20 (1) by striking “LIMITATIONS.—The” and in-  
21 serting “LIMITATIONS.—(1) Except as provided in  
22 paragraph (2), the”;

23 (2) by redesignating paragraphs (1), (2), (3),  
24 and (4) as subparagraphs (A), (B), (C), and (D), re-  
25 spectively; and

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

3           “(2) The Secretary of Defense may increase the limi-  
4 tation on the number of general and flag officers on active  
5 duty, determined under paragraph (1), by the number (if  
6 any) of reserve component general and flag officers who,  
7 as determined by the Secretary, are serving on active duty  
8 under section 12301(d) of this title in support of a contin-  
9 gency operation.”.

10           **Subtitle C—Authorization of**  
11                           **Appropriations**

12           **SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILI-**  
13                           **TARY PERSONNEL.**

14           There is hereby authorized to be appropriated to the  
15 Department of Defense for military personnel for fiscal  
16 year 2002 a total of \$82,396,900,000. The authorization  
17 in the preceding sentence supersedes any other authoriza-  
18 tion of appropriations (definite or indefinite) for such pur-  
19 pose for fiscal year 2002.

1 **TITLE V—MILITARY PERSONNEL**  
2 **POLICY**  
3 **Subtitle A—Officer Personnel**  
4 **Policy**

5 **SEC. 501. GENERAL OFFICER POSITIONS.**

6 (a) INCREASED GRADE FOR VICE CHIEF OF NA-  
7 TIONAL GUARD BUREAU.—Section 10505(c) of title 10,  
8 United States Code, is amended by striking “major gen-  
9 eral” and inserting “lieutenant general”.

10 (b) INCREASED GRADE FOR HEADS OF NURSE  
11 CORPS OF THE ARMED FORCES.—(1) Section 3069(b) of  
12 title 10, United States Code, is amended by striking “brig-  
13 adier general” in the second sentence and inserting  
14 “major general”.

15 (2) The first sentence of section 5150(c) of such title  
16 is amended—

17 (A) by inserting “rear admiral (upper half) in  
18 the case of an officer in the Nurse Corps or” after  
19 “for promotion to the grade of”; and

20 (B) by inserting “in the case of an officer in  
21 the Medical Service Corps” after “rear admiral  
22 (lower half)”.

23 (3) Section 8069(b) of such title is amended by strik-  
24 ing “brigadier general” in the second sentence and insert-  
25 ing “major general”.

1 (c) APPOINTMENT AND GRADE OF CHIEF OF ARMY  
2 VETERINARY CORPS.—(1) Chapter 307 of title 10, United  
3 States Code, is amended by inserting after section 3070  
4 the following new section 3071:

5 **“§ 3071. Veterinary Corps: composition; Chief and as-**  
6 **sistant chief; appointment; grade**

7 “(a) COMPOSITION.—The Veterinary Corps consists  
8 of the Chief and assistant chief of that corps and other  
9 officers in grades prescribed by the Secretary of the Army.

10 “(b) CHIEF.—The Secretary of the Army shall ap-  
11 point the Chief from the officers of the Regular Army in  
12 that corps whose regular grade is above lieutenant colonel  
13 and who are recommended by the Surgeon General. An  
14 appointee who holds a lower regular grade shall be ap-  
15 pointed in the regular grade of brigadier general. The  
16 Chief serves during the pleasure of the Secretary, but not  
17 for more than four years, and may not be reappointed to  
18 the same position.

19 “(c) ASSISTANT CHIEF.—The Surgeon General shall  
20 appoint the assistant chief from the officers of the Regular  
21 Army in that corps whose regular grade is above lieuten-  
22 ant colonel. The assistant chief serves during the pleasure  
23 of the Surgeon General, but not for more than four years  
24 and may not be reappointed to the same position.”.

1           (2) The table of sections at the beginning of such  
2 chapter is amended by inserting after the item relating  
3 to section 3070 the following new item:

          “3071. Veterinary Corps: composition; Chief and assistant chief; appointment;  
          grade.”.

4           (d) EXCLUSIONS FROM LIMITATION OF ACTIVE  
5 DUTY OFFICERS IN GRADES ABOVE MAJOR GENERAL.—  
6 Section 525(b) of title 10, United States Code, is  
7 amended—

8           (1) in paragraph (2)(B), by striking “16.2 per-  
9 cent” and inserting “17.5 percent”;

10          (2) in paragraph (3)—

11                 (A) by inserting “(A)” after “(3)”; and

12                 (B) by adding at the end the following new  
13 subparagraph:

14           “(B) An officer while serving as the Senior Military  
15 Assistant to the Secretary of Defense, if serving in the  
16 grade of general or lieutenant general, or admiral or vice  
17 admiral, is in addition to the number that would otherwise  
18 be permitted for his armed force for that grade under  
19 paragraph (1) or (2).”; and

20           (3) by striking paragraph (6) and inserting the  
21 following:

22           “(6)(A) An officer while serving in a position named  
23 in subparagraph (B) is in addition to the number that  
24 would otherwise be permitted for that officer’s armed force

1 for officers serving on active duty in grades above major  
2 general under paragraph (1).

3 “(B) Subparagraph (A) applies with respect to the  
4 following positions:

5 “(i) Chief of the National Guard Bureau.

6 “(ii) Vice Chief of the National Guard Bu-  
7 reau.”.

8 **SEC. 502. REDUCTION OF TIME-IN-GRADE REQUIREMENT**  
9 **FOR ELIGIBILITY FOR PROMOTION OF FIRST**  
10 **LIEUTENANTS AND LIEUTENANTS (JUNIOR**  
11 **GRADE).**

12 Paragraph (1) of section 619(a) of title 10, United  
13 States Code, is amended by striking “the following period  
14 of service” and all that follows through the end of the  
15 paragraph and inserting “eighteen months of service in  
16 the grade in which he holds a permanent appointment.”.

17 **SEC. 503. PROMOTION OF OFFICERS TO THE GRADE OF**  
18 **CAPTAIN IN THE ARMY, AIR FORCE, OR MA-**  
19 **RINE CORPS OR TO THE GRADE OF LIEUTEN-**  
20 **ANT IN THE NAVY WITHOUT SELECTION**  
21 **BOARD ACTION.**

22 (a) ACTIVE-DUTY LIST PROMOTIONS.—(1) Section  
23 611(a) of title 10, United States Code, is amended by  
24 striking “Under” and inserting “Except in the case of pro-

1 motions recommended under section 624(a)(3) of this  
2 title, under”.

3 (2) Section 624(a) of such title is amended by adding  
4 at the end the following new paragraph (3):

5 “(3) The President may, upon a recommendation of  
6 the Secretary of the military department concerned ap-  
7 proved by the President, promote to the grade of captain  
8 (for officers of the Regular Army, Regular Air Force, or  
9 Regular Marine Corps) or lieutenant (for officers of the  
10 Regular Navy) all fully qualified officers on the active-duty  
11 list in the permanent or temporary grade of first lieuten-  
12 ant or lieutenant (junior grade), respectively, who would  
13 be eligible for consideration for promotion to the next  
14 higher grade by a selection board convened under section  
15 611(a) of this title. The Secretary of a military depart-  
16 ment may make such a recommendation whenever the Sec-  
17 retary determines that all such officers are needed in the  
18 next higher grade to accomplish mission objectives. Pro-  
19 motions under this paragraph shall be effectuated under  
20 regulations prescribed by the Secretary of the military de-  
21 partment concerned.”.

22 (3) Section 631 of such title is amended by adding  
23 at the end the following new subsection (d):

24 “(d) For the purposes of this chapter—

1           “(1) a recommendation made by the Secretary  
2 of the military department concerned under section  
3 624(a)(3) of this title that is approved by the Presi-  
4 dent shall be treated in the same manner as a report  
5 of a promotion selection board convened under sec-  
6 tion 611(a) of this title that is approved by the  
7 President; and

8           “(2) an officer of the Regular Army, Regular  
9 Air Force, or Regular Marine Corps who holds the  
10 regular grade of first lieutenant, and an officer of  
11 the Regular Navy who holds the regular grade of  
12 lieutenant (junior grade), shall be treated as having  
13 failed of selection for promotion if the Secretary of  
14 the military department concerned determines that  
15 the officer would be eligible for consideration for  
16 promotion to the next higher grade by a selection  
17 board convened under section 611(a) of this title but  
18 is not fully qualified for promotion when recom-  
19 mending for promotion under section 624(a)(3) of  
20 this title all fully qualified officers of the officer’s  
21 armed force in such grade who would be eligible for  
22 such consideration.”.

23           (b) RESERVE ACTIVE-STATUS LIST PROMOTIONS.—  
24 (1) Section 14101(a) of such title is amended by striking  
25 “Whenever” and inserting “Except in the case of pro-

1 motions recommended under section 14308(b)(4) of this  
2 title, whenever”.

3 (2) Section 14308(b) of such title is amended by add-  
4 ing at the end the following new paragraph (4):

5 “(4) The President may, upon a recommendation of  
6 the Secretary of the military department concerned ap-  
7 proved by the President, promote to the grade of captain  
8 (for officers of a reserve component of the Army, Air  
9 Force, or Marine Corps) or lieutenant (for officers of the  
10 Naval Reserve) all fully qualified officers on the reserve  
11 active-status list in the permanent grade of first lieutenant  
12 or lieutenant (junior grade), respectively, who would be eli-  
13 gible for consideration for promotion to the next higher  
14 grade by a selection board convened under section  
15 14101(a) of this title. The Secretary of a military depart-  
16 ment may make such a recommendation whenever the Sec-  
17 retary determines that all such officers are needed in the  
18 next higher grade to accomplish mission objectives. Pro-  
19 motions under this paragraph shall be effectuated under  
20 regulations prescribed by the Secretary of the military de-  
21 partment concerned.”.

22 (3) Section 14504 of such title is amended by adding  
23 at the end the following new subsection (c):

24 “(c) For the purposes of this chapter—

1           “(1) a recommendation made by the Secretary  
2 of the military department concerned under section  
3 14308(b)(4) of this title that is approved by the  
4 President shall be treated the same as a report of  
5 a promotion selection board convened under section  
6 14101(a) of this title that is approved by the Presi-  
7 dent; and

8           “(2) an officer on a reserve active-status list  
9 who holds the grade of first lieutenant (in the case  
10 of an officer in a reserve component of the Army,  
11 Air Force, or Marine Corps) or the grade of lieuten-  
12 ant (junior grade) (in the case of an officer of the  
13 Naval Reserve) shall be treated as having failed of  
14 selection for promotion if the Secretary of the mili-  
15 tary department concerned determines that the offi-  
16 cer would be eligible for consideration for promotion  
17 to the next higher grade by a selection board con-  
18 vened under section 14101(a) of this title but is not  
19 fully qualified for promotion when recommending for  
20 promotion under section 14308(b)(4) of this title all  
21 fully qualified officers of that officer’s reserve com-  
22 ponent in such grade who would be eligible for such  
23 consideration.”.

1 **SEC. 504. AUTHORITY TO ADJUST DATE OF RANK.**

2 (a) ACTIVE DUTY OFFICERS.—Subsection 741(d) of  
3 title 10, United States Code, is amended, by adding at  
4 the end the following new paragraph (4):

5 “(4)(A) The Secretary concerned may adjust the date  
6 of rank of an officer appointed to a higher grade under  
7 section 624(a) of this title if the appointment is to a grade  
8 below O–7 and is delayed by reason of unusual cir-  
9 cumstances that cause an unintended delay in the proc-  
10 essing or approval of—

11 “(i) a report of a selection board recommending  
12 the appointment of the officer to that grade; or

13 “(ii) the promotion list established on the basis  
14 of that report.

15 “(B) The adjusted date of rank applicable to the  
16 grade of an officer under subparagraph (A) shall be con-  
17 sistent with the officer’s position on the promotion list for  
18 that grade and competitive category when additional offi-  
19 cers in that grade and competitive category were needed  
20 and shall also be consistent with compliance with the ap-  
21 plicable authorized strengths for officers in that grade and  
22 competitive category.

23 “(C) The adjusted date of rank applicable to the  
24 grade of an officer under subparagraph (A) shall be the  
25 effective date for the officer’s pay and allowances for the  
26 grade and for the officer’s position on the active-duty list.

1       “(D) In the case of an officer whose appointment to  
2 a higher grade under this section is made by and with  
3 the advice and consent of the Senate, the Secretary con-  
4 cerned shall transmit to the Committee on Armed Services  
5 of the Senate a notification of any adjustment of a date  
6 of rank for the appointment of an officer to a higher grade  
7 under subparagraph (A) to a date that is prior to the date  
8 of the advice and consent of the Senate on the appoint-  
9 ment. The notification shall include the name of the officer  
10 and a discussion of the reasons for the adjustment.”.

11       (b) RESERVE OFFICERS.—Section 14308(c) of such  
12 title is amended—

13           (1) by redesignating paragraph (2) as para-  
14 graph (3);

15           (2) by inserting after paragraph (1) the fol-  
16 lowing new paragraph (2):

17       “(2)(A) The Secretary concerned may adjust the date  
18 of rank of an officer appointed to a higher grade under  
19 this section if the appointment is to a grade below O-7  
20 and is delayed by reason of unusual circumstances that  
21 cause an unintended delay in the processing or approval  
22 of—

23           “(i) a report of a selection board recommending  
24 the appointment of the officer to that grade; or

1           “(ii) the promotion list established on the basis  
2           of that report.

3           “(B) The adjusted date of rank applicable to the  
4 grade of an officer under subparagraph (A) shall be con-  
5 sistent with the officer’s position on the promotion list for  
6 that grade and competitive category when additional offi-  
7 cers in that grade and competitive category were needed  
8 and shall also be consistent with compliance with the ap-  
9 plicable authorized strengths for officers in that grade and  
10 competitive category.

11          “(C) The adjusted date of rank applicable to the  
12 grade of an officer under subparagraph (A) shall be the  
13 effective date for the officer’s pay and allowances for the  
14 grade and for the officer’s position on the active-duty list.

15          “(D) In the case of an officer whose appointment to  
16 a higher grade under this section is made by and with  
17 the advice and consent of the Senate, the Secretary con-  
18 cerned shall transmit to the Committee on Armed Services  
19 of the Senate a notification of any adjustment of a date  
20 of rank for the appointment of an officer to a higher grade  
21 under subparagraph (A) to a date that is prior to the date  
22 of the advice and consent of the Senate on the appoint-  
23 ment. The notification shall include the name of the officer  
24 and a discussion of the reasons for the adjustment.”; and

1           (3) in paragraph (3), as redesignated by para-  
2           graph (1), by inserting “provided in paragraph (2)  
3           or as otherwise” after “Except as”.

4 **SEC. 505. EXTENSION OF DEFERMENTS OF RETIREMENT OR**  
5 **SEPARATION FOR MEDICAL REASONS.**

6           Section 640 of title 10, United States Code, is  
7 amended—

8           (1) by inserting “(a) DEFERMENT.—” before  
9           “The Secretary”; and

10          (b) by adding at the end the following new sub-  
11          section:

12          “(b) AUTHORITY TO EXTEND.—In the case of an of-  
13          ficer whose retirement or separation under any of sections  
14          632 through 638, or section 1251, of this title is deferred  
15          under subsection (a), the Secretary of the military depart-  
16          ment concerned may extend the deferment by an addi-  
17          tional period of not more than 30 days following the com-  
18          pletion of the evaluation of the officer’s physical condition  
19          if the Secretary determines that continuation of the officer  
20          would facilitate the officer’s transition to civilian life.”.

1 **SEC. 506. EXEMPTION FROM ADMINISTRATIVE LIMITA-**  
2 **TIONS OF RETIRED MEMBERS ORDERED TO**  
3 **ACTIVE DUTY AS DEFENSE AND SERVICE**  
4 **ATTACHÉS.**

5 (a) **LIMITATION OF PERIOD OF RECALLED SERV-**  
6 **ICE.**—Section 688(e)(2) of title 10, United States Code,  
7 is amended by adding at the end the following new sub-  
8 paragraph (D):

9 “(D) An officer who is assigned to duty as a  
10 defense attaché or service attaché for the period of  
11 active duty to which ordered.”.

12 (b) **LIMITATION ON NUMBER OF RECALLED OFFI-**  
13 **CERS ON ACTIVE DUTY.**—Section 690(b)(2) of such title  
14 is amended by adding at the end the following new sub-  
15 paragraph (E):

16 “(E) An officer who is assigned to duty as a de-  
17 fense attaché or service attaché for the period of ac-  
18 tive duty to which ordered.”.

19 (c) **APPLICABILITY.**—The amendments made by sub-  
20 sections (a) and (b) shall apply with respect to officers  
21 serving on active duty as a defense attaché or service  
22 attaché on or after the date of the enactment of this Act.

1 **SEC. 507. CERTIFICATIONS OF SATISFACTORY PERFORM-**  
2 **ANCE FOR RETIREMENTS OF OFFICERS IN**  
3 **GRADES ABOVE MAJOR GENERAL AND REAR**  
4 **ADMIRAL.**

5 Section 1370(c) of title 10, United States Code, is  
6 amended by adding at the end the following new para-  
7 graph:

8 “(3)(A) The Secretary of Defense may delegate au-  
9 thority to make a certification for an officer under para-  
10 graph (1) to the Under Secretary of Defense for Personnel  
11 and Readiness or the Deputy Under Secretary of Defense  
12 for Personnel and Readiness. The certification authority  
13 may not be delegated to any other official.

14 “(B) If an official to whom authority is delegated  
15 under subparagraph (A) determines in the case of an offi-  
16 cer that there is potentially adverse information on the  
17 officer and that the information has not previously been  
18 reported to the Senate in connection with the action of  
19 the Senate on a previous appointment of that officer under  
20 section 601 of this title, the official may not exercise the  
21 authority in that case, but shall refer the case to the Sec-  
22 retary of Defense. The Secretary of Defense shall person-  
23 ally issue or withhold a certification for an officer under  
24 paragraph (1) in any case referred to the Secretary under  
25 the preceding sentence.”.

1 **SEC. 508. EFFECTIVE DATE OF MANDATORY SEPARATION**  
2 **OR RETIREMENT OF REGULAR OFFICER DE-**  
3 **LAYED BY A SUSPENSION OF CERTAIN LAWS**  
4 **UNDER EMERGENCY AUTHORITY OF THE**  
5 **PRESIDENT.**

6 Section 12305 of title 10, United States Code, is  
7 amended by adding at the end the following new sub-  
8 section (c):

9 “(c) In the case of an officer of the Regular Army,  
10 Regular Navy, Regular Air Force, or Regular Marine  
11 Corps whose mandatory separation or retirement under  
12 section 632, 633, 634, 635, 636, 637, or 1251 of this title  
13 is delayed by reason of a suspension under this section,  
14 the separation or retirement of the officer upon termi-  
15 nation of the suspension shall take effect on the date elect-  
16 ed by the officer, but not later than 90 days after the date  
17 of the termination of the suspension.”.

18 **SEC. 509. DETAIL AND GRADE OF OFFICER IN CHARGE OF**  
19 **THE UNITED STATES NAVY BAND.**

20 Section 6221 of title 10, United States Code, is  
21 amended—

22 (1) by inserting “(a) ESTABLISHMENT.—”; and

23 (2) by adding at the end the following new sub-  
24 section:

1       “(b) OFFICER IN CHARGE.—(1) An officer serving in  
2 a grade above lieutenant may be detailed as Officer in  
3 Charge of the United States Navy Band.

4       “(2) While serving as Officer in Charge of the United  
5 States Navy Band, an officer holds the grade of captain  
6 if appointed to that grade by the President, by and with  
7 the advice and consent of the Senate, notwithstanding the  
8 limitation in section 5596(d) of this title.”.

9       **Subtitle B—Reserve Component**  
10       **Personnel Policy**

11       **SEC. 511. REAUTHORIZATION AND EXPANSION OF TEM-**  
12       **PORARY WAIVER OF THE REQUIREMENT FOR**  
13       **A BACCALAUREATE DEGREE FOR PRO-**  
14       **MOTION OF CERTAIN RESERVE OFFICERS OF**  
15       **THE ARMY.**

16       (a) REAUTHORIZATION.—Subsection (b) of section  
17 516 of the Strom Thurmond National Defense Authoriza-  
18 tion Act for Fiscal Year 1999 (Public Law 105–261; 112  
19 Stat. 2008; 10 U.S.C. 12205 note) is amended by striking  
20 “September 30, 2000” and inserting “September 30,  
21 2003”.

22       (b) EXPANSION OF ELIGIBILITY.—Subsection (a) of  
23 such section is amended by striking “before the date of  
24 the enactment of this Act”.

1 **SEC. 512. STATUS LIST OF RESERVE OFFICERS ON ACTIVE**  
2 **DUTY FOR A PERIOD OF THREE YEARS OR**  
3 **LESS.**

4 (a) CLARIFICATION.—Section 641(1)(D) of title 10,  
5 United States Code, is amended to read as follows:

6 “(D) on active duty under section  
7 12301(d) of this title, other than as provided  
8 under subparagraph (C), under a call or order  
9 to active duty specifying a period of three years  
10 or less and continuation (pursuant to regula-  
11 tions prescribed by the Secretary concerned) on  
12 the reserve active-status list;”.

13 (b) RETROACTIVE ADJUSTMENTS.—(1) The Sec-  
14 retary of the military department concerned—

15 (A) may place on the active-duty list of the  
16 armed force concerned any officer under the juris-  
17 diction of the Secretary who was placed on the re-  
18 serve active-status list under subparagraph (D) of  
19 section 641(1) of title 10, United States Code, as  
20 added by section 521(2) of the Floyd D. Spence Na-  
21 tional Defense Authorization Act for Fiscal Year  
22 2001 (as enacted into law by Public Law 106–398;  
23 114 Stat. 1654A–108); and

24 (B) for the purposes of chapter 36 of such title  
25 (other than section 640 of such title and, in the case  
26 of a warrant officer, section 628 of such title), shall



1 may include the member's residence) that the member  
 2 usually occupies for use during off-duty time when on gar-  
 3 rison duty at the member's permanent duty station or  
 4 homeport, as the case may be.”.

5 (b) EFFECTIVE DATE.—This section and the amend-  
 6 ment made by this section shall take effect on October  
 7 1, 2001, and shall apply with respect to duty performed  
 8 on or after that date.

9 **SEC. 514. MODIFICATION OF PHYSICAL EXAMINATION RE-**  
 10 **QUIREMENTS FOR MEMBERS OF THE INDI-**  
 11 **VIDUAL READY RESERVE.**

12 Section 10206 of title 10, United States Code, is  
 13 amended—

14 (1) in subsection (a)—

15 (A) in the first sentence—

16 (i) by striking “Ready Reserve” and  
 17 inserting “Selected Reserve”; and

18 (ii) by striking “his” and inserting  
 19 “the member’s”; and

20 (B) in the second sentence, by striking  
 21 “Each Reserve” and inserting the following:

22 “(c) Each Reserve”;

23 (2) by redesignating subsection (b) as sub-  
 24 section (d); and

1           (3) by inserting after subsection (a) the fol-  
 2           lowing new subsection (b):

3           “(b) A member of the Individual Ready Reserve or  
 4           inactive National Guard shall be examined for physical fit-  
 5           ness as necessary to determine the member’s physical fit-  
 6           ness for military duty or for promotion, attendance at a  
 7           school of the armed forces, or other action related to ca-  
 8           reer progression.”.

9           **SEC. 515. MEMBERS OF RESERVE COMPONENTS AFFLICTED**  
 10                           **WHILE REMAINING OVERNIGHT AT DUTY**  
 11                           **STATION WITHIN COMMUTING DISTANCE OF**  
 12                           **HOME.**

13           (a) **MEDICAL AND DENTAL CARE FOR MEMBERS.**—  
 14           Section 1074a(a)(3) of title 10, United States Code, is  
 15           amended by inserting before the period at the end the fol-  
 16           lowing: “or if the member remained overnight for another  
 17           reason authorized under applicable regulations”.

18           (b) **MEDICAL AND DENTAL CARE FOR DEPEND-**  
 19           **ENTS.**—Section 1076(a)(2)(C) of title 10, United States  
 20           Code, is amended by inserting before the period at the  
 21           end the following: “or if the member remained overnight  
 22           for another reason authorized under applicable regula-  
 23           tions”.

24           (c) **ELIGIBILITY FOR DISABILITY RETIREMENT OR**  
 25           **SEPARATION.**—(1) Section 1204(2)(B)(iii) of title 10,

1 United States Code, is amended by inserting before the  
2 semicolon at the end the following: “or if the member re-  
3 mained overnight for another reason authorized under ap-  
4 plicable regulations”.

5 (2) Section 1206(2)(A)(iii) of title 10, United States  
6 Code, is amended by inserting before the semicolon the  
7 following: “or if the member remained overnight for an-  
8 other reason authorized under applicable regulations”.

9 (d) RECOVERY, CARE, AND DISPOSITION OF RE-  
10 MAINS.—Section 1481(a)(2)(D) of title 10, United States  
11 Code, is amended by inserting before the semicolon at the  
12 end the following: “or if the member remained overnight  
13 for another reason authorized under applicable regula-  
14 tions”.

15 (e) ENTITLEMENT TO BASIC PAY.—Section 204 of  
16 title 37, United States Code, is amended—

17 (1) in subsection (g)(1)(D), by inserting before  
18 the semicolon the following: “or if the member re-  
19 mained overnight for another reason authorized  
20 under applicable regulations”; and

21 (2) in subsection (h)(1)(D), by inserting before  
22 the semicolon the following: “or if the member re-  
23 mained overnight for another reason authorized  
24 under applicable regulations”.

1 (f) COMPENSATION FOR INACTIVE-DUTY TRAIN-  
2 ING.—Section 206(a)(3)(C) of title 37, United States  
3 Code, is amended by inserting before the period at the  
4 end the following: “or if the member remained overnight  
5 for another reason authorized under applicable regula-  
6 tions”.

7 **SEC. 516. RETIREMENT OF RESERVE PERSONNEL WITHOUT**  
8 **REQUEST.**

9 (a) RETIRED RESERVE.—Section 10154(2) of title  
10 10, United States Code, is amended by striking “upon  
11 their request”.

12 (b) RETIREMENT FOR FAILURE OF SELECTION OF  
13 PROMOTION.—(1) Paragraph (2) of section 14513 of such  
14 title is amended by striking “, if the officer is qualified  
15 and applies for such transfer” and inserting “if the officer  
16 is qualified for the transfer and does not request (in ac-  
17 cordance with regulations prescribed by the Secretary con-  
18 cerned) not to be transferred to the Retired Reserve”.

19 (2)(A) The heading for such section is amended to  
20 read as follows:

21 **“§ 14513. Transfer, retirement, or discharge for fail-  
22 ure of selection of promotion”.**

23 (B) The item relating to such section in the table of  
24 sections at the beginning of chapter 1407 of title 10,  
25 United States Code, is amended to read as follows:

“14513. Transfer, retirement, or discharge for failure of selection for promotion.”.

1 (c) RETIREMENT FOR YEARS OF SERVICE OR AFTER  
2 SELECTION FOR EARLY REMOVAL.—Section 14514 of  
3 such title is amended—

4 (1) in paragraph (1), by striking “, if the offi-  
5 cer is qualified and applies for such transfer” and  
6 inserting “if the officer is qualified for the transfer  
7 and does not request (in accordance with regulations  
8 prescribed by the Secretary concerned) not to be  
9 transferred to the Retired Reserve”; and

10 (2) by striking paragraph (2) and inserting the  
11 following:

12 “(2) be discharged from the officer’s reserve ap-  
13 pointment if the officer is not qualified for transfer  
14 to the Retired Reserve or has requested (in accord-  
15 ance with regulations prescribed by the Secretary  
16 concerned) not to be so transferred.”.

17 (d) RETIREMENT FOR AGE.—Section 14515 of such  
18 title is amended—

19 (1) in paragraph (1), by striking “, if the offi-  
20 cer is qualified and applies for such transfer” and  
21 inserting “if the officer is qualified for the transfer  
22 and does not request (in accordance with regulations  
23 prescribed by the Secretary concerned) not to be  
24 transferred to the Retired Reserve”; and

1           (2) by striking paragraph (2) and inserting the  
2 following:

3           “(2) be discharged from the officer’s reserve ap-  
4 pointment if the officer is not qualified for transfer  
5 to the Retired Reserve or has requested (in accord-  
6 ance with regulations prescribed by the Secretary  
7 concerned) not to be so transferred.”.

8           (e) DISCHARGE OR RETIREMENT OF WARRANT OFFI-  
9 CERS FOR YEARS OF SERVICE OR AGE.—(1) Chapter  
10 1207 of such title is amended by adding at the end the  
11 following new section:

12       **“§ 12244. Warrant officers: discharge or retirement**  
13               **for years of service or for age**

14           “Each reserve warrant officer of the Army, Navy, Air  
15 Force, or Marine Corps who is in an active status and  
16 has reached the maximum years of service or age pre-  
17 scribed by the Secretary concerned shall—

18           “(1) be transferred to the Retired Reserve if  
19 the warrant officer is qualified for the transfer and  
20 does not request (in accordance with regulations pre-  
21 scribed by the Secretary concerned) not to be trans-  
22 ferred to the Retired Reserve; or

23           “(2) be discharged if the warrant officer is not  
24 qualified for transfer to the Retired Reserve or has  
25 requested (in accordance with regulations prescribed

1 by the Secretary concerned) not to be so trans-  
 2 ferred.”.

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

“12244. Warrant officers: discharge or retirement for years of service or for  
 age.”.

6 (f) DISCHARGE OR RETIREMENT OF ENLISTED MEM-  
 7 BERS FOR YEARS OF SERVICE OR AGE.—(1) Chapter  
 8 1203 of title 10, United States Code, is amended by add-  
 9 ing at the end the following new section:

10 **“§ 12108. Enlisted members: discharge or retirement**  
 11 **for years of service or for age**

12 “Each reserve enlisted member of the Army, Navy,  
 13 Air Force, or Marine Corps who is in an active status and  
 14 has reached the maximum years of service or age pre-  
 15 scribed by the Secretary concerned shall—

16 “(1) be transferred to the Retired Reserve if  
 17 the member is qualified for the transfer and does  
 18 not request (in accordance with regulations pre-  
 19 scribed by the Secretary concerned) not to be trans-  
 20 ferred to the Retired Reserve; or

21 “(2) be discharged if the member is not quali-  
 22 fied for transfer to the Retired Reserve or has re-  
 23 quested (in accordance with regulations prescribed

1 by the Secretary concerned) not to be so trans-  
2 ferred.”.

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

“12108. Enlisted members: discharge or retirement for years of service or for  
age.”.

6 (g) EFFECTIVE DATE.—This section and the amend-  
7 ments made by this section shall take effect on the first  
8 day of the first month that is more than 180 days after  
9 the date of the enactment of this Act.

10 **SEC. 517. SPACE-REQUIRED TRAVEL BY RESERVES ON MILI-**  
11 **TARY AIRCRAFT.**

12 (a) CORRECTION OF IMPAIRMENT TO AUTHORIZED  
13 TRAVEL WITH ALLOWANCES.—Section 18505(a) of title  
14 10, United States Code, is amended by striking “annual  
15 training duty or” each place it appears.

16 (b) CONFORMING AMENDMENTS.—(1) The heading  
17 for such section is amended to read as follows:

18 **“§ 18505. Reserves traveling for inactive-duty train-**  
19 **ing: space-required travel on military air-**  
20 **craft”.**

21 (2) The item relating to such section in the table of  
22 contents at the beginning of chapter 1805 of title 10,  
23 United States Code, is amended to read as follows:

“18505. Reserves traveling for inactive-duty training: space-required travel on  
military aircraft.”.

1                   **Subtitle C—Education and**  
2                   **Training**

3 **SEC. 531. IMPROVED BENEFITS UNDER THE ARMY COL-**  
4                   **LEGE FIRST PROGRAM.**

5           (a) INCREASED MAXIMUM PERIOD OF DELAYED  
6 ENTRY.—Section 573 of the National Defense Authoriza-  
7 tion Act for Fiscal Year 2000 (Public Law 106–65; 113  
8 Stat. 623; 10 U.S.C. 513 note) is amended—

9                   (1) in subsection (b)—

10                           (A) by striking the matter preceding para-  
11 graph (1) and inserting the following:

12           “(b) DELAYED ENTRY WITH ALLOWANCE FOR  
13 HIGHER EDUCATION.—Under the pilot program, the Sec-  
14 retary may—

15                   “(1) exercise the authority under section 513 of  
16 title 10, United States Code—”;

17                           (B) by redesignating paragraphs (1) and  
18 (2) as subparagraphs (A) and (B), respectively,  
19 and realigning those subparagraphs four ems  
20 from the left margin;

21                           (C) in subparagraph (A), as so redesign-  
22 nated, by inserting “and” after the semicolon;  
23 and

24                           (D) in subparagraph (B), as so redesign-  
25 nated, by striking “two years after the date of

1 such enlistment as a Reserve under paragraph  
2 (1)” and inserting “the maximum period of  
3 delay determined for the person under sub-  
4 section (c)”;

5 (2) in subsection (c)—

6 (A) by striking “paragraph (2)” and in-  
7 serting “paragraph (1)(B)”;

8 (B) by striking “two-year period” and in-  
9 serting “30-month period”; and

10 (C) by striking “paragraph (1)” and in-  
11 serting “paragraph (1)(A)”.

12 (b) ALLOWANCE ELIGIBILITY AND AMOUNT.—(1)

13 Such section is further amended—

14 (A) in subsection (b), by striking paragraph (3)  
15 and inserting the following:

16 “(2) subject to paragraph (2) of subsection (d)  
17 and except as provided in paragraph (3) of such  
18 subsection, pay an allowance to the person for each  
19 month of that period during which the member is  
20 enrolled in and pursuing such a program”; and

21 (B) in subsection (d)—

22 (i) by redesignating paragraph (2) as para-  
23 graph (4);

24 (ii) by striking paragraph (1) and inserting  
25 the following new paragraphs:

1       “(1) The monthly allowance paid under subsection  
2 (b)(2) shall be equal to the amount of the subsistence al-  
3 lowance provided for certain members of the Senior Re-  
4 serve Officers’ Training Corps under section 209(a) of  
5 title 37, United States Code.

6       “(2) An allowance may not be paid to a person under  
7 this section for more than 24 months.

8       “(3) A member of the Selected Reserve of a reserve  
9 component may be paid an allowance under this section  
10 only for months during which the member performs satis-  
11 factorily as a member of a unit of the reserve component  
12 that trains as prescribed in section 10147(a)(1) of title  
13 10, United States Code, or section 502(a) of title 32,  
14 United States Code. Satisfactory performance shall be de-  
15 termined under regulations prescribed by the Secretary.”

16       (2) The heading for such subsection is amended by  
17 striking “AMOUNT OF”.

18       (c) INELIGIBILITY FOR LOAN REPAYMENTS.—Such  
19 section is further amended—

20           (1) by redesignating subsections (e), (f), and  
21 (g) as subsections (g), (h), and (i), respectively; and

22           (2) by inserting after subsection (d) the fol-  
23 lowing new subsection:

24       “(e) INELIGIBILITY FOR LOAN REPAYMENTS.—A  
25 person who has received an allowance under this section

1 is not eligible for any benefits under chapter 109 of title  
2 10, United States Code.

3 (d) RECOUPMENT OF ALLOWANCE.—Such section, as  
4 amended by subsection (c), is further amended by insert-  
5 ing after subsection (e) the following new subsection:

6 “(f) RECOUPMENT OF ALLOWANCE.—(1) A person  
7 who, after receiving an allowance under this section, fails  
8 to complete the total period of service required of that per-  
9 son in connection with delayed entry authorized for the  
10 person under section 513 of title 10, United States Code,  
11 shall repay the United States the amount which bears the  
12 same ratio to the total amount of that allowance paid to  
13 the person as the unserved part of the total required pe-  
14 riod of service bears to the total period.

15 “(2) An obligation to repay the United States im-  
16 posed under paragraph (1) is for all purposes a debt  
17 owed to the United States.

18 “(3) A discharge of a person in bankruptcy under  
19 title 11, United States Code, that is entered less than  
20 five years after the date on which the person was, or was  
21 to be, enlisted in the regular Army pursuant to the de-  
22 layed entry authority under section 513 of title 10,  
23 United States Code, does not discharge that person from  
24 a debt arising under paragraph (1).

1       “(4) The Secretary of the Army may waive, in whole  
2 or in part, a debt arising under paragraph (1) in any case  
3 for which the Secretary determines that recovery would  
4 be against equity and good conscience or would be con-  
5 trary to the best interests of the United States.”.

6       (e) EFFECTIVE DATE.—The amendments made by  
7 this section shall take effect on October 1, 2001, and shall  
8 apply with respect to persons who, on or after that date,  
9 are enlisted as described in subsection (a) of section 513  
10 of title 10, United States Code, with delayed entry author-  
11 ized under that section.

12 **SEC. 532. REPEAL OF LIMITATION ON NUMBER OF JUNIOR**  
13 **RESERVE OFFICERS' TRAINING CORPS UNITS.**

14       Section 2031(a)(1) of title 10, United States Code,  
15 is amended by striking the second sentence.

16 **SEC. 533. ACCEPTANCE OF FELLOWSHIPS, SCHOLARSHIPS,**  
17 **OR GRANTS FOR LEGAL EDUCATION OF OFFI-**  
18 **CERS PARTICIPATING IN THE FUNDED LEGAL**  
19 **EDUCATION PROGRAM.**

20       (a) FLEP DETAIL.—Section 2004 of title 10, United  
21 States Code, is amended by adding at the end the fol-  
22 lowing new subsection:

23       “(g) Acceptance of a fellowship, scholarship, or grant  
24 as financial assistance for training described in subsection  
25 (a) in accordance with section 2603(a) of this title does

1 not disqualify the officer accepting it from also being de-  
 2 tailed at a law school for that training under this section.  
 3 Service obligations incurred under subsection (b)(2)(C)  
 4 and section 2603(b) of this title with respect to the same  
 5 training shall be served consecutively.”.

6 (b) FELLOWSHIPS, SCHOLARSHIPS, OR GRANTS.—  
 7 Section 2603 of such title is amended by adding at the  
 8 end the following new subsection:

9 “(c) A detail of an officer for training at a law school  
 10 under section 2004 of this title does not disqualify the offi-  
 11 cer from also accepting a fellowship, scholarship, or grant  
 12 under this section as financial assistance for that training.  
 13 Service obligations incurred under subsection (b) and sec-  
 14 tion 2004(b)(2)(C) of this title with respect to the same  
 15 training shall be served consecutively.”.

16 **SEC. 534. GRANT OF DEGREE BY DEFENSE LANGUAGE IN-**  
 17 **STITUTE FOREIGN LANGUAGE CENTER.**

18 (a) AUTHORITY.—Chapter 108 of title 10, United  
 19 States Code, is amended by adding at the end the fol-  
 20 lowing new section:

21 **“§ 2167. Defense Language Institute: associate of arts**

22 “Under regulations prescribed by the Secretary of  
 23 Defense, the Commandant of the Foreign Language Cen-  
 24 ter of the Defense Language Institute may confer an asso-  
 25 ciate of arts degree in foreign language upon graduates

1 of the Institute who fulfill the requirements for the degree,  
 2 as certified by the Provost of the Institute.”.

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

“2167. Defense Language Institute: associate of arts.”.

6 **SEC. 535. AUTHORITY FOR THE MARINE CORPS UNIVER-**  
 7 **SITY TO AWARD THE DEGREE OF MASTER OF**  
 8 **STRATEGIC STUDIES.**

9 (a) AUTHORITY.—(1) Subsection (a) of section 7102  
 10 of title 10, United States Code, is amended to read as  
 11 follows:

12 “(a) AUTHORITY.—Upon the recommendation of the  
 13 Director and faculty of a college of the Marine Corps Uni-  
 14 versity, the President of the Marine Corps University may  
 15 confer a degree upon graduates of the college who fulfill  
 16 the requirements for the degree, as follows:

17 “(1) For the Marine Corps War College, the de-  
 18 gree of master of strategic studies.

19 “(2) For the Command and Staff College, the  
 20 degree of master of military studies.”.

21 (2)(A) The heading for such section is amended to  
 22 read as follows:

1 **“§ 7102. Marine Corps University: masters degrees”.**

2 (B) The item relating to such section in the table of  
3 sections at the beginning of chapter 609 of title 10, United  
4 States Code, is amended to read as follows:

“7102. Marine Corps University: masters degrees.”.

5 (b) **CONDITION FOR INITIAL EXERCISE OF AUTHOR-**  
6 **ITY.**—(1) The President of the Marine Corps University  
7 may exercise the authority provided under section  
8 7102(a)(1) of title 10, United States Code, only after the  
9 Secretary of Education has notified the Secretary of the  
10 Navy of a determination made under paragraph (2) that  
11 the requirements established by the Marine Corps War  
12 College of the Marine Corps University for the degree of  
13 master of strategic studies are in accordance with the re-  
14 quirements typically imposed for awards of the degree of  
15 master of arts by institutions of higher education in the  
16 United States.

17 (2) The Secretary of Education shall review the re-  
18 quirements established by the Marine Corps War College  
19 of the Marine Corps University for the degree of master  
20 of strategic studies, determine whether the requirements  
21 are in accordance with the requirements typically imposed  
22 for awards of the degree of master of arts by institutions  
23 of higher education in the United States, and notify the  
24 Secretary of the Navy of the determination.

1 **SEC. 536. FOREIGN PERSONS ATTENDING THE SERVICE**  
2 **ACADEMIES.**

3 (a) UNITED STATES MILITARY ACADEMY.—(1) Sub-  
4 section (a)(1) of section 4344 of title 10, United States  
5 Code, is amended by striking “not more than 40 persons”  
6 and inserting “not more than 60 persons”.

7 (2) Subsection (b) of such section is amended—

8 (A) in paragraph (2), by striking “unless a  
9 written waiver of reimbursement is granted by the  
10 Secretary of Defense” in the first sentence; and

11 (B) by striking paragraph (3) and inserting the  
12 following:

13 “(3) The Secretary of Defense may waive, in whole  
14 or in part, the requirement for reimbursement of the cost  
15 of instruction for a cadet under paragraph (2). In the case  
16 of a partial waiver, the Secretary shall establish the  
17 amount waived.”.

18 (b) UNITED STATES NAVAL ACADEMY.—(1) Sub-  
19 section (a)(1) of section 6957 of such title is amended by  
20 striking “not more than 40 persons” and inserting “not  
21 more than 60 persons”.

22 (2) Subsection (b) of such section is amended—

23 (A) in paragraph (2), by striking “unless a  
24 written waiver of reimbursement is granted by the  
25 Secretary of Defense” in the first sentence; and

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

3 “(3) The Secretary of Defense may waive, in whole  
4 or in part, the requirement for reimbursement of the cost  
5 of instruction for a midshipman under paragraph (2). In  
6 the case of a partial waiver, the Secretary shall establish  
7 the amount waived.”.

8 (c) UNITED STATES AIR FORCE ACADEMY.—(1)  
9 Subsection (a)(1) of section 9344 of such title is amended  
10 by striking “not more than 40 persons” and inserting “not  
11 more than 60 persons”.

12 (2) Subsection (b) of such section is amended—

13 (A) in paragraph (2), by striking “unless a  
14 written waiver of reimbursement is granted by the  
15 Secretary of Defense” in the first sentence; and

16 (B) by striking paragraph (3) and inserting the  
17 following:

18 “(3) The Secretary of Defense may waive, in whole  
19 or in part, the requirement for reimbursement of the cost  
20 of instruction for a cadet under paragraph (2). In the case  
21 of a partial waiver, the Secretary shall establish the  
22 amount waived.”.

23 (d) APPLICABILITY.—The amendments made by this  
24 section shall apply with respect to academic years that  
25 begin after October 1, 2001.

1 **SEC. 537. EXPANSION OF FINANCIAL ASSISTANCE PRO-**  
 2 **GRAM FOR HEALTH-CARE PROFESSIONALS IN**  
 3 **RESERVE COMPONENTS TO INCLUDE STU-**  
 4 **DENTS IN PROGRAMS OF EDUCATION LEAD-**  
 5 **ING TO INITIAL DEGREE IN MEDICINE OR**  
 6 **DENTISTRY.**

7 (a) MEDICAL AND DENTAL STUDENT STIPEND.—  
 8 Section 16201 of title 10, United States Code, is amend-  
 9 ed—

10 (1) by redesignating subsection (e) as sub-  
 11 section (f); and

12 (2) by inserting after subsection (d) the fol-  
 13 lowing new subsection (e):

14 “(e) PROGRAMS LEADING TO INITIAL MEDICAL OR  
 15 DENTAL DEGREE.—(1) Under the stipend program under  
 16 this chapter, the Secretary of the military department con-  
 17 cerned may enter into an agreement with a person who—

18 “(A) is eligible to be appointed as an officer in  
 19 a reserve component of the armed forces; and

20 “(B) is enrolled or has been accepted for enroll-  
 21 ment in an accredited medical or dental school in a  
 22 program of education and training that results in an  
 23 initial degree in medicine or dentistry.

24 “(2) Under the agreement—

25 “(A) the Secretary of the military department  
 26 concerned shall agree to pay the participant a sti-

1       pend, in the amount determined under subsection  
2       (f), for the period or the remainder of the period  
3       that the student is satisfactorily progressing toward  
4       an initial degree in medicine or dentistry in a pro-  
5       gram of an accredited medical or dental school;

6               “(B) the participant shall not be eligible to re-  
7       ceive such stipend before appointment, designation,  
8       or assignment as an officer for service in the Ready  
9       Reserve;

10              “(C) the participant shall be subject to such ac-  
11       tive duty requirements as may be specified in the  
12       agreement and to active duty in time of war or na-  
13       tional emergency as provided by law for members of  
14       the Ready Reserve; and

15              “(D) the participant shall agree—

16                   “(i) to complete the program of education  
17       and training in which enrolled or accepted for  
18       enrollment as described in paragraph (1)(B);

19                   “(ii) to accept an appointment or designa-  
20       tion in the participant’s reserve component, if  
21       tendered, based upon the participant’s health  
22       profession, following satisfactory completion of  
23       the educational and internship components of  
24       the program of education and training;

1           “(iii) if required by regulations prescribed  
2           by the Secretary of Defense, to apply for (if eli-  
3           gible) and accept (if offered) residency training  
4           in a health profession skill that has been des-  
5           ignated by the Secretary of Defense as a skill  
6           critically needed by the armed forces in war-  
7           time; and

8           “(iv) to serve in the Selected Reserve, upon  
9           successful completion of the program, for the  
10          period of service applicable under paragraph  
11          (3).

12          “(3)(A) Except as provided in subparagraph (B), the  
13          minimum period for which a participant shall serve in the  
14          Selected Reserve under the agreement pursuant to para-  
15          graph (2)(D)(iv) shall be one year in the Selected Reserve  
16          for each six months, or part thereof, for which the partici-  
17          pant is provided a stipend pursuant to the agreement.

18          “(B) If a participant referred to in subparagraph (A)  
19          enters into an agreement under subsection (b) and, after  
20          completing a program of education and training for which  
21          a stipend was provided under this subsection, successfully  
22          completes residency training in the specialty covered by  
23          the agreement, the minimum period for which the partici-  
24          pant shall serve in the Selected Reserve under that agree-  
25          ment and the agreement under this subsection shall be one

1 year for each year, or part thereof, for which a stipend  
2 was provided under this chapter.”.

3 (b) AMOUNT OF STIPEND.—Subsection (f) of such  
4 section, as redesignated by subsection (a), is amended by  
5 striking “or (c)” and inserting “, (c), or (e)”.

6 (c) ELIGIBILITY FOR ASSISTANCE FOR GRADUATE  
7 MEDICAL OR DENTAL TRAINING.—Subsection (b) of such  
8 section is amended—

9 (1) by striking “SPECIALTIES.—” and insert-  
10 ing “WARTIME SPECIALTIES.—”; and

11 (2) in paragraph (1)(B), by inserting “, or has  
12 been appointed,” after “assignment”.

13 (d) SERVICE OBLIGATION FOR STIPEND FOR OTHER  
14 PROFESSIONAL PROGRAMS.—(1) Subsection (b)(2)(D) of  
15 such section by striking “agree to serve, upon successful  
16 completion of the program, two years in the Ready Re-  
17 serve for each year,” and inserting “agree (subject to sub-  
18 section (e)(3)(B)) to serve, upon successful completion of  
19 the program, one year in the Ready Reserve for each six  
20 months,”.

21 (2) Subsection (c)(2)(D) of such section is amended  
22 by striking “two years in the Ready Reserve for each  
23 year,” and inserting “one year in the Ready Reserve for  
24 each six months,”.

1 (e) CONFORMING AMENDMENTS.—(1) Subsection (a)  
 2 of such section is amended—

3 (A) in the first sentence—

4 (i) by inserting “in health professions and”  
 5 after “qualified”; and

6 (ii) by striking “training in such” and in-  
 7 serting “education and training in such profes-  
 8 sions and”; and

9 (B) in the second sentence, by striking “train-  
 10 ing in certain” and inserting “education and train-  
 11 ing in certain health professions and”.

12 (2) Subsections (b)(2)(A) and (c)(2)(A) of such sec-  
 13 tion are amended by striking “subsection (e)” and insert-  
 14 ing “subsection (f)”.

15 **SEC. 538. PILOT PROGRAM FOR DEPARTMENT OF VET-**  
 16 **ERANS AFFAIRS SUPPORT FOR GRADUATE**  
 17 **MEDICAL EDUCATION AND TRAINING OF**  
 18 **MEDICAL PERSONNEL OF THE ARMED**  
 19 **FORCES.**

20 (a) REQUIREMENT FOR PROGRAM.—The Secretary of  
 21 Defense and the Secretary of Veterans Affairs may jointly  
 22 carry out a pilot program of graduate medical education  
 23 and training for medical personnel of the Armed Forces.

24 (b) DEPARTMENT OF VETERANS AFFAIRS MEDICAL  
 25 CENTERS.—Under any pilot program carried out under

1 this section, the Secretary of Defense and the Secretary  
2 of Veterans Affairs shall provide for medical personnel of  
3 the Armed Forces to pursue one or more programs of  
4 graduate medical education and training in one or more  
5 medical centers of the Department of Veterans Affairs.

6 (c) AGREEMENT.—The Secretary of Defense and the  
7 Secretary of Veterans Affairs shall enter into an agree-  
8 ment for carrying out any pilot program under this sec-  
9 tion. The agreement shall provide a means for the Sec-  
10 retary of Defense to defray the costs incurred by the Sec-  
11 retary of Veterans Affairs in providing the graduate med-  
12 ical education and training in, or the use of, the facility  
13 or facilities of the Department of Veterans Affairs partici-  
14 pating in the pilot program.

15 (d) USE OF EXISTING AUTHORITIES.—To carry out  
16 the pilot program, the Secretary of Defense and the Sec-  
17 retary of Veterans Affairs shall exercise authorities pro-  
18 vided to the Secretaries, respectively, under other laws re-  
19 lating to the furnishing or support of medical education  
20 and the cooperative use of facilities.

21 (e) PERIOD OF PROGRAM.—Any pilot program car-  
22 ried out under this section shall begin not later than Au-  
23 gust 1, 2002, and shall terminate on July 31, 2007.

24 (f) ANNUAL REPORT.—(1) Not later than January  
25 31, 2003, and January 31 of each year thereafter, the

1 Secretary of Defense and the Secretary of Veterans Af-  
2 fairs shall jointly submit to Congress a report on the con-  
3 duct of any pilot program carried out under this section.  
4 The report shall cover the preceding year and shall include  
5 the Secretaries' assessment of the efficacy of providing for  
6 medical personnel of the Armed Forces to pursue pro-  
7 grams of graduate medical education and training in med-  
8 ical centers of the Department of Veterans Affairs.

9 (2) The reporting requirement under this subsection  
10 shall terminate upon the submittal of the report due on  
11 January 31, 2008.

12 **SEC. 539. TRANSFER OF ENTITLEMENT TO EDUCATIONAL**  
13 **ASSISTANCE UNDER MONTGOMERY GI BILL**  
14 **BY MEMBERS OF THE ARMED FORCES WITH**  
15 **CRITICAL MILITARY SKILLS.**

16 (a) AUTHORITY TO TRANSFER TO FAMILY MEM-  
17 BERS.—(1) Subchapter II of chapter 30 of title 38, United  
18 States Code, is amended by adding at the end the fol-  
19 lowing new section:

20 **“§ 3020. Transfer of entitlement to basic educational**  
21 **assistance: members of the Armed Forces**  
22 **with critical military skills**

23 “(a) IN GENERAL.—Subject to the provisions of this  
24 section, each Secretary concerned may, for the purpose of  
25 enhancing recruitment and retention of members of the

1 Armed Forces with critical military skills and at such Sec-  
2 retary's sole discretion, permit an individual described in  
3 subsection (b) who is entitled to basic educational assist-  
4 ance under this subchapter to elect to transfer, in whole  
5 or in part, up to 18 months of such individual's entitle-  
6 ment to such assistance to the dependents specified in sub-  
7 section (c).

8       “(b) ELIGIBLE INDIVIDUALS.—An individual re-  
9 ferred to in subsection (a) is any member of the Armed  
10 Forces who, at the time of the approval by the Secretary  
11 concerned of the member's request to transfer entitlement  
12 to basic educational assistance under this section—

13               “(1) has completed six years of service in the  
14 Armed Forces;

15               “(2) either—

16                       “(A) has a critical military skill designated  
17 by the Secretary concerned for purposes of this  
18 section; or

19                       “(B) is in a military specialty designated  
20 by the Secretary concerned for purposes of this  
21 section as requiring critical military skills; and

22               “(3) enters into an agreement to serve at least  
23 four more years as a member of the Armed Forces.

24       “(c) ELIGIBLE DEPENDENTS.—An individual ap-  
25 proved to transfer an entitlement to basic educational as-

1 sistance under this section may transfer the individual's  
2 entitlement as follows:

3           “(1) To the individual's spouse.

4           “(2) To one or more of the individual's chil-  
5 dren.

6           “(3) To a combination of the individuals re-  
7 ferred to in paragraphs (1) and (2).

8           “(d) LIMITATION ON MONTHS OF TRANSFER.—The  
9 total number of months of entitlement transferred by an  
10 individual under this section may not exceed 18 months.

11           “(e) DESIGNATION OF TRANSFEREE.—An individual  
12 transferring an entitlement to basic educational assistance  
13 under this section shall—

14           “(1) designate the dependent or dependents to  
15 whom such entitlement is being transferred and the  
16 percentage of such entitlement to be transferred to  
17 each such dependent; and

18           “(2) specify the period for which the transfer  
19 shall be effective for each dependent designated  
20 under paragraph (1).

21           “(f) TIME FOR TRANSFER; REVOCATION AND MODI-  
22 FICATION.—(1) Subject to the time limitation for use of  
23 entitlement under section 3031 of this title, an individual  
24 approved to transfer entitlement to basic educational as-  
25 sistance under this section may transfer such entitlement

1 at any time after the approval of individual's request to  
2 transfer such entitlement without regard to whether the  
3 individual is a member of the Armed Forces when the  
4 transfer is executed.

5       “(2)(A) An individual transferring entitlement under  
6 this section may modify or revoke at any time the transfer  
7 of any unused portion of the entitlement so transferred.

8       “(B) The modification or revocation of the transfer  
9 of entitlement under this paragraph shall be made by the  
10 submittal of written notice of the action to both the Sec-  
11 retary concerned and the Secretary of Veterans Affairs.

12       “(g) COMMENCEMENT OF USE.—A dependent to  
13 whom entitlement to basic educational assistance is trans-  
14 ferred under this section may not commence the use of  
15 the transferred entitlement until the following:

16               “(1) In the case of entitlement transferred to a  
17 spouse, the completion by the individual making the  
18 transfer of 6 years of service in the Armed Forces.

19               “(2) In the case of entitlement transferred to a  
20 child, both—

21                       “(A) the completion by the individual mak-  
22 ing the transfer of 10 years of service in the  
23 Armed Forces; and

24                       “(B) either—

1                   “(i) the completion by the child of the  
2                   requirements of a secondary school di-  
3                   ploma (or equivalency certificate); or

4                   “(ii) the attainment by the child of 18  
5                   years of age.

6           “(h) ADDITIONAL ADMINISTRATIVE MATTERS.—(1)  
7   The use of any entitlement to basic educational assistance  
8   transferred under this section shall be charged against the  
9   entitlement of the individual making the transfer at the  
10   rate of one month for each month of transferred entitle-  
11   ment that is used.

12           “(2) Except as provided under subsection (e)(2) and  
13   subject to paragraphs (4) and (5), a dependent to whom  
14   entitlement is transferred under this section is entitled to  
15   basic educational assistance under this subchapter in the  
16   same manner and at the same rate as the individual from  
17   whom the entitlement was transferred.

18           “(3) The death of an individual transferring an enti-  
19   tlement under this section shall not affect the use of the  
20   entitlement by the individual to whom the entitlement is  
21   transferred.

22           “(4) Notwithstanding section 3031 of this title, a  
23   child to whom entitlement is transferred under this section  
24   may not use any entitlement so transferred after attaining  
25   the age of 26 years.

1       “(5) The administrative provisions of this chapter  
2 (including the provisions set forth in section 3034(a)(1)  
3 of this title) shall apply to the use of entitlement trans-  
4 ferred under this section, except that the dependent to  
5 whom the entitlement is transferred shall be treated as  
6 the eligible veteran for purposes of such provisions.

7       “(6) The purposes for which a dependent to whom  
8 entitlement is transferred under this section may use such  
9 entitlement shall include the pursuit and completion of the  
10 requirements of a secondary school diploma (or equiva-  
11 lency certificate).

12       “(i) OVERPAYMENT.—(1) In the event of an overpay-  
13 ment of basic educational assistance with respect to a de-  
14 pendent to whom entitlement is transferred under this sec-  
15 tion, the dependent and the individual making the transfer  
16 shall be jointly and severally liable to the United States  
17 for the amount of the overpayment for purposes of section  
18 3685 of this title.

19       “(2) Except as provided in paragraph (3), if an indi-  
20 vidual transferring entitlement under this section fails to  
21 complete the service agreed to by the individual under sub-  
22 section (b)(3) in accordance with the terms of the agree-  
23 ment of the individual under that subsection, the amount  
24 of any transferred entitlement under this section that is  
25 used by a dependent of the individual as of the date of

1 such failure shall be treated as an overpayment of basic  
2 educational assistance under paragraph (1).

3 “(3) Paragraph (2) shall not apply in the case of an  
4 individual who fails to complete service agreed to by the  
5 individual—

6 “(A) by reason of the death of the individual;

7 or

8 “(B) for a reason referred to in section  
9 3011(a)(1)(A)(ii)(I) of this title.

10 “(j) APPROVALS OF TRANSFER SUBJECT TO AVAIL-  
11 ABILITY OF APPROPRIATIONS.—The Secretary concerned  
12 may approve transfers of entitlement to basic educational  
13 assistance under this section in a fiscal year only to the  
14 extent that appropriations for military personnel are avail-  
15 able in the fiscal year for purposes of making deposits in  
16 the Department of Defense Education Benefits Fund  
17 under section 2006 of title 10 in the fiscal year to cover  
18 the present value of future benefits payable from the Fund  
19 for the Department of Defense portion of payments of  
20 basic educational assistance attributable to increased  
21 usage of benefits as a result of such transfers of entitle-  
22 ment in the fiscal year.

23 “(k) REGULATIONS.—The Secretary of Defense shall  
24 prescribe regulations for purposes of this section. Such  
25 regulations shall specify the manner and effect of an elec-

1 tion to modify or revoke a transfer of entitlement under  
2 subsection (f)(2), and shall specify the manner of the ap-  
3 plicability of the administrative provisions referred to in  
4 subsection (h)(5) to a dependent to whom entitlement is  
5 transferred under this section.

6 “(l) ANNUAL REPORTS.—(1) Not later than January  
7 31, 2003, and each year thereafter, each Secretary con-  
8 cerned shall submit to the Committees on Armed Services  
9 of the Senate and House of Representatives a report on  
10 the transfers of entitlement to basic educational assistance  
11 under this section that were approved by such Secretary  
12 during the preceding year.

13 “(2) Each report shall set forth—

14 “(A) the number of transfers of entitlement  
15 under this section that were approved by such Sec-  
16 retary during the preceding year; or

17 “(B) if no transfers of entitlement under this  
18 section were approved by such Secretary during that  
19 year, a justification for such Secretary’s decision not  
20 to approve any such transfers of entitlement during  
21 that year.

22 “(m) SECRETARY CONCERNED DEFINED.—Notwith-  
23 standing section 101(25) of this title, in this section, the  
24 term ‘Secretary concerned’ means—

1           “(1) the Secretary of the Army with respect to  
2 matters concerning the Army;

3           “(2) the Secretary of the Navy with respect to  
4 matters concerning the Navy or the Marine Corps;

5           “(3) the Secretary of the Air Force with respect  
6 to matters concerning the Air Force; and

7           “(4) the Secretary of the Defense with respect  
8 to matters concerning the Coast Guard, or the Sec-  
9 retary of Transportation when it is not operating as  
10 a service in the Navy.”.

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

“3020. Transfer of entitlement to basic educational assistance: members of the  
Armed Forces with critical military skills.”.

14       (b) TREATMENT UNDER DEPARTMENT OF DEFENSE  
15 EDUCATION BENEFITS FUND.—Section 2006(b)(2) of  
16 title 10, United States Code, is amended by adding at the  
17 end the following:

18           “(D) The present value of future benefits  
19 payable from the Fund for the Department of  
20 Defense portion of payments of educational as-  
21 sistance under subchapter II of chapter 30 of  
22 title 38 attributable to increased usage of bene-  
23 fits as a result of transfers of entitlement to

1           basic educational assistance under section 3020  
2           of that title during such period.”.

3           (c) PLAN FOR IMPLEMENTATION.—Not later than  
4 June 30, 2002, the Secretary of Defense shall submit to  
5 Congress a report describing the manner in which the Sec-  
6 retaries of the military departments and the Secretary of  
7 Transportation propose to exercise the authority granted  
8 by section 3020 of title 38, United States Code, as added  
9 by subsection (a). The report shall include the regulations  
10 prescribed under subsection (k) of that section for pur-  
11 poses of the exercise of the authority.

12          (d) FUNDING FOR FISCAL YEAR 2002.—Of the  
13 amount authorized to be appropriated to the Department  
14 of Defense for military personnel for fiscal year 2002 by  
15 section 421, \$30,000,000 may be available in fiscal year  
16 2002 for deposit into the Department of Defense Edu-  
17 cation Benefits Fund under section 2006 of title 10,  
18 United States Code, for purposes of covering payments of  
19 amounts under subparagraph (D) of section 2006(b)(2)  
20 of title 10, United States Code (as added by subsection  
21 (b)), as a result of transfers of entitlement to basic edu-  
22 cational assistance under section 3020 of title 38, United  
23 States Code (as added by subsection (a)).

1     **Subtitle D—Decorations, Awards,**  
2                     **and Commendations**

3     **SEC. 551. AUTHORITY FOR AWARD OF THE MEDAL OF**  
4                     **HONOR TO HUMBERT R. VERSACE FOR**  
5                     **VALOR DURING THE VIETNAM WAR.**

6             (a) WAIVER OF TIME LIMITATIONS.—Notwith-  
7 standing the time limitations specified in section 3744 of  
8 title 10, United States Code, or any other time limitation  
9 with respect to the awarding of certain medals to persons  
10 who served in the military service, the President may  
11 award the Medal of Honor under section 3741 of that title  
12 to Humbert R. Versace for the acts of valor referred to  
13 in subsection (b).

14             (b) ACTION DESCRIBED.—The acts of valor referred  
15 to in subsection (a) are the actions of Humbert R. Versace  
16 between October 29, 1963, and September 26, 1965, while  
17 interned as a prisoner of war by the Vietnamese Com-  
18 munist National Liberation Front (Viet Cong) in the Re-  
19 public of Vietnam.

20     **SEC. 552. REVIEW REGARDING AWARD OF MEDAL OF**  
21                     **HONOR TO CERTAIN JEWISH AMERICAN WAR**  
22                     **VETERANS.**

23             (a) REVIEW REQUIRED.—The Secretary of each mili-  
24 tary department shall review the service records of each  
25 Jewish American war veteran described in subsection (b)

1 to determine whether or not that veteran should be award-  
2 ed the Medal of Honor.

3 (b) COVERED JEWISH AMERICAN WAR VETERANS.—

4 The Jewish American war veterans whose service records  
5 are to be reviewed under subsection (a) are the following:

6 (1) Any Jewish American war veteran who was  
7 previously awarded the Distinguished Service Cross,  
8 the Navy Cross, or the Air Force Cross.

9 (2) Any other Jewish American war veteran  
10 whose name is submitted to the Secretary concerned  
11 for such purpose by the Jewish War Veterans of the  
12 United States of America before the end of the one-  
13 year period beginning on the date of the enactment  
14 of this Act.

15 (c) CONSULTATIONS.—In carrying out the review  
16 under subsection (a), the Secretary of each military de-  
17 partment shall consult with the Jewish War Veterans of  
18 the United States of America and with such other veterans  
19 service organizations as the Secretary considers appro-  
20 priate.

21 (d) RECOMMENDATION BASED ON REVIEW.—If the  
22 Secretary concerned determines, based upon the review  
23 under subsection (a) of the service records of any Jewish  
24 American war veteran, that the award of the Medal of  
25 Honor to that veteran is warranted, the Secretary shall

1 submit to the President a recommendation that the Presi-  
2 dent award the Medal of Honor to that veteran.

3 (e) AUTHORITY TO AWARD MEDAL OF HONOR.—A  
4 Medal of Honor may be awarded to a Jewish American  
5 war veteran in accordance with a recommendation of the  
6 Secretary concerned under subsection (d).

7 (f) WAIVER OF TIME LIMITATIONS.—An award of  
8 the Medal of Honor may be made under subsection (e)  
9 without regard to—

10 (1) section 3744, 6248, or 8744 of title 10,  
11 United States Code, as applicable; and

12 (2) any regulation or other administrative re-  
13 striction on—

14 (A) the time for awarding the Medal of  
15 Honor; or

16 (B) the awarding of the Medal of Honor  
17 for service for which a Distinguished Service  
18 Cross, Navy Cross, Air Force Cross, or any  
19 other decoration has been awarded.

20 (g) JEWISH AMERICAN WAR VETERAN DEFINED.—

21 In this section, the term “Jewish American war veteran”  
22 means any person who served in the Armed Forces during  
23 World War II or a later period of war and who identified  
24 himself or herself as Jewish on his or her military per-  
25 sonnel records.

1 **SEC. 553. ISSUANCE OF DUPLICATE AND REPLACEMENT**  
2 **MEDALS OF HONOR.**

3 (a) ARMY.—(1)(A) Chapter 357 of title 10, United  
4 States Code, is amended by inserting after section 3747  
5 the following new section:

6 **“§ 3747a. Medal of honor: issuance of duplicate**

7 “(a) ISSUANCE.—Upon written application by a per-  
8 son to whom a medal of honor has been awarded under  
9 this chapter, the Secretary of the Army may issue to the  
10 person one duplicate medal of honor, with ribbons and ap-  
11 purtenances. No charge may be imposed for the issuance  
12 of the duplicate medal.

13 “(b) SPECIAL MARKING.—A duplicate medal of  
14 honor issued under this section shall be marked as a dupli-  
15 cate or for display purposes only. The Secretary shall pre-  
16 scribe the manner in which the duplicate medal is marked.

17 “(c) ISSUANCE NOT TO BE CONSIDERED ADDI-  
18 TIONAL AWARD.—The issuance of a duplicate medal of  
19 honor under of this section may not be considered an  
20 award of more than one medal of honor prohibited by sec-  
21 tion 3744(a) of this title.”.

22 (B) The table of sections at the beginning of such  
23 chapter is amended by inserting after the item relating  
24 to section 3747 the following:

“3747a. Medal of honor: issuance of duplicate.”.

1 (2) Section 3747 of title 10, United States Code, is  
 2 amended by striking “lost” and inserting “stolen, lost”.

3 (b) NAVY AND MARINE CORPS.—(1)(A) Chapter 567  
 4 of such title is amended by inserting after section 6253  
 5 the following new section:

6 **“§ 6253a. Medal of honor: issuance of duplicate**

7 “(a) ISSUANCE.—Upon written application by a per-  
 8 son to whom a medal of honor has been awarded under  
 9 this chapter, the Secretary of the Navy may issue to the  
 10 person one duplicate medal of honor, with ribbons and ap-  
 11 purtenances. No charge may be imposed for the issuance  
 12 of the duplicate medal.

13 “(b) SPECIAL MARKING.—A duplicate medal of  
 14 honor issued under this section shall be marked as a dupli-  
 15 cate or for display purposes only. The Secretary shall pre-  
 16 scribe the manner in which the duplicate medal is marked.

17 “(c) ISSUANCE NOT TO BE CONSIDERED ADDI-  
 18 TIONAL AWARD.—The issuance of a duplicate medal of  
 19 honor under this section may not be considered an award  
 20 of more than one medal of honor prohibited by section  
 21 6247 of this title.”.

22 (B) The table of sections at the beginning of such  
 23 chapter is amended by inserting after the item relating  
 24 to section 6253 the following:

“6253a. Medal of honor: issuance of duplicate.”.

1       (2) Section 6253 of title 10, United States Code, is  
2 amended by striking “lost” and inserting “stolen, lost,”.

3       (c) AIR FORCE.—(1)(A) Chapter 857 of such title is  
4 amended by inserting after section 8747 the following new  
5 section:

6 **“§ 8747a. Medal of honor: issuance of duplicate**

7       “(a) ISSUANCE.—Upon written application by a per-  
8 son to whom a medal of honor has been awarded under  
9 this chapter, the Secretary of the Air Force may issue to  
10 the person one duplicate medal of honor, with ribbons and  
11 appurtenances. No charge may be imposed for the  
12 issuance of the duplicate medal.

13       “(b) SPECIAL MARKING.—A duplicate medal of  
14 honor issued under this section shall be marked as a dupli-  
15 cate or for display purposes only. The Secretary shall pre-  
16 scribe the manner in which the duplicate medal is marked.

17       “(c) ISSUANCE NOT TO BE CONSIDERED ADDI-  
18 TIONAL AWARD.—The issuance of a duplicate medal of  
19 honor under this section may not be considered an award  
20 of more than one medal of honor prohibited by section  
21 8744(a) of this title.”.

22       (B) The table of sections at the beginning of such  
23 chapter is amended by inserting after the item relating  
24 to section 8747 the following:

“8747a. Medal of honor: issuance of duplicate.”.

1           (2) Section 8747 of title 10, United States Code, is  
2 amended by striking “lost” and inserting “stolen, lost,”.

3 **SEC. 554. WAIVER OF TIME LIMITATIONS FOR AWARD OF**  
4                           **CERTAIN DECORATIONS TO CERTAIN PER-**  
5                           **SONS.**

6           (a) **WAIVER.**—Any limitation established by law or  
7 policy for the time within which a recommendation for the  
8 award of a military decoration or award must be sub-  
9 mitted shall not apply to awards of decorations described  
10 in this section, the award of each such decoration having  
11 been determined by the Secretary concerned to be war-  
12 ranted in accordance with section 1130 of title 10, United  
13 States Code.

14           (b) **SILVER STAR.**—Subsection (a) applies to the  
15 award of the Silver Star to Wayne T. Alderson, of  
16 Glassport, Pennsylvania, for gallantry in action from  
17 March 15 to March 18, 1945, while serving as a member  
18 of the Army.

19           (c) **DISTINGUISHED FLYING CROSS.**—Subsection (a)  
20 applies to the award of the Distinguished Flying Cross  
21 for service during World War II (including multiple  
22 awards to the same individual) in the case of each indi-  
23 vidual concerning whom the Secretary of the Navy (or an  
24 officer of the Navy acting on behalf of the Secretary) sub-  
25 mitted to the Committee on Armed Services of the House

1 of Representatives and the Committee on Armed Services  
2 of the Senate, during the period beginning on October 30,  
3 2000, and ending on the day before the date of the enact-  
4 ment of this Act, a notice as provided in section 1130(b)  
5 of title 10, United States Code, that the award of the Dis-  
6 tinguished Flying Cross to that individual is warranted  
7 and that a waiver of time restrictions prescribed by law  
8 for recommendation for such award is recommended.

9 **SEC. 555. SENSE OF SENATE ON ISSUANCE OF KOREA DE-**  
10 **FENSE SERVICE MEDAL.**

11 It is the sense of the Senate that the Secretary of  
12 Defense should consider authorizing the issuance of a  
13 campaign medal, to be known as the Korea Defense Serv-  
14 ice Medal, to each person who while a member of the  
15 Armed Forces served in the Republic of Korea, or the wa-  
16 ters adjacent thereto, during the period beginning on July  
17 28, 1954, and ending on such date after that date as the  
18 Secretary considers appropriate.

1     **Subtitle E—Funeral Honors Duty**

2     **SEC. 561. ACTIVE DUTY END STRENGTH EXCLUSION FOR**  
 3                   **RESERVES ON ACTIVE DUTY OR FULL-TIME**  
 4                   **NATIONAL GUARD DUTY FOR FUNERAL HON-**  
 5                   **ORS DUTY.**

6           Section 115(d) of title 10, United States Code, is  
 7 amended by adding at the end the following new para-  
 8 graph:

9                   “(10) Members of reserve components on active  
 10           duty or full-time National Guard duty to prepare for  
 11           and to perform funeral honors functions under sec-  
 12           tion 1491 of this title.”.

13     **SEC. 562. PARTICIPATION OF RETIREES IN FUNERAL HON-**  
 14                   **ORS DETAILS.**

15           (a) **AUTHORITY.**—(1) Subsection (b)(2) of section  
 16 1491 of title 10, United States Code, is amended by in-  
 17 serting “, members or former members of the armed  
 18 forces in a retired status,” in the second sentence after  
 19 “members of the armed forces”.

20           (2) Subsection (h) of such section is amended to read  
 21 as follows:

22                   “(h) **DEFINITIONS.**—In this section:

23                           “(1) The term ‘retired status’, with respect to  
 24           a member or former member of the armed forces,  
 25           means that the member or former member—

1           “(A) is on a retired list of an armed force;

2           “(B) is entitled to receive retired or re-  
3 tainer pay; or

4           “(C) except for not having attained 60  
5 years of age, would be entitled to receive retired  
6 pay upon application under chapter 1223 of  
7 this title.

8           “(2) The term ‘veteran’ means a decedent  
9 who—

10           “(A) served in the active military, naval, or  
11 air service (as defined in section 101(24) of  
12 title 38) and who was discharged or released  
13 therefrom under conditions other than dishon-  
14 orable; or

15           “(B) was a member or former member of  
16 the Selected Reserve described in section  
17 2301(f) of title 38.”.

18           (b) FUNERAL HONORS DUTY ALLOWANCE.—Section  
19 435(a) of title 37, United States Code, is amended—

20           (1) by inserting “(1)” after “(a) ALLOWANCE  
21 AUTHORIZED.—”; and

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

24           “(2)(A) The Secretary concerned may authorize pay-  
25 ment of an allowance to a member or former member of

1 the armed forces in a retired status (as defined in section  
2 1491(h) of title 10) for participating as a member of a  
3 funeral honors detail under section 1491 of title 10 for  
4 a period of at least two hours, including time for prepara-  
5 tion.

6 “(B) An allowance paid to a member or former mem-  
7 ber under subparagraph (A) shall be in addition to any  
8 retired or retainer pay or other compensation to which the  
9 member or former member is entitled under this title or  
10 title 10 or 38.”.

11 **SEC. 563. BENEFITS AND PROTECTIONS FOR MEMBERS IN A**  
12 **FUNERAL HONORS DUTY STATUS.**

13 (a) **FUNERAL HONORS DUTY DEFINED.**—Section  
14 101(d) of title 10, United States Code, is amended by add-  
15 ing at the end the following new paragraph:

16 “(8) The term ‘funeral honors duty’ means  
17 duty under section 12503 of this title or section 115  
18 of title 32.”.

19 (b) **APPLICABILITY OF UNIFORM CODE OF MILITARY**  
20 **JUSTICE.**—Section 802 of title 10, United States Code,  
21 is amended—

22 (1) in subsection (a)(3), by inserting “or en-  
23 gaged in funeral honors duty” after “on inactive-  
24 duty training”; and

1           (2) in subsection (d)(2)(B), by inserting “or en-  
2           gaged in funeral honors duty” after “on inactive-  
3           duty training”.

4           (c) COMMISSARY STORES PRIVILEGES FOR DEPEND-  
5           ENTS OF A DECEASED RESERVE COMPONENT MEM-  
6           BER.—Section 1061(b) of such title is amended—

7           (1) in paragraph (1)—

8           (A) by striking “or” the first place it ap-  
9           pears; and

10           (B) by inserting “, or funeral honors duty”  
11           before the semicolon; and

12           (2) in paragraph (2)—

13           (A) by striking “or” the third place it ap-  
14           pears; and

15           (B) by inserting “, or funeral honors duty”  
16           before the period.

17           (d) PAYMENT OF A DEATH GRATUITY.—(1) Section  
18           1475(a) of such title is amended—

19           (A) in paragraph (2), by inserting “or while en-  
20           gaged in funeral honors duty” after “Public Health  
21           Service)”; and

22           (B) in paragraph (3)—

23           (i) by striking “or inactive duty training”  
24           the first place it appears and inserting “inac-  
25           tive-duty training”;

1 (ii) by inserting “or funeral honors duty,”  
2 after “Public Health Service);” and

3 (iii) by striking “or inactive duty training”  
4 the second place it appears and inserting “, in-  
5 active-duty training, or funeral honors duty”.

6 (2) Section 1476(a) of such title is amended—

7 (A) in paragraph (1)—

8 (i) in subparagraph (A), by striking “or”;

9 (ii) in subparagraph (B), by striking the  
10 period at the end and inserting “; or”; and

11 (iii) by adding at the end the following new  
12 subparagraph:

13 “(C) funeral honors duty.”; and

14 (B) in paragraph (2)(A), by striking “or inac-  
15 tive-duty training” and inserting “, inactive-duty  
16 training, or funeral honors duty”.

17 (e) MILITARY AUTHORITY FOR MEMBERS OF THE  
18 COAST GUARD RESERVE.—(1) Section 704 of title 14,  
19 United States Code, is amended by striking “or inactive-  
20 duty training” in the second sentence and inserting “, in-  
21 active-duty training, or funeral honors duty”.

22 (2) Section 705(a) of such title is amended by insert-  
23 ing “on funeral honors duty,” after “on inactive-duty  
24 training,”.

1 (f) VETERANS BENEFITS.—Section 101(24) of title  
2 38, United States Code, is amended—

3 (1) by striking “and” at the end of subpara-  
4 graph (B);

5 (2) by striking the period at the end of sub-  
6 paragraph (C)(ii) and inserting “; and”; and

7 (3) by adding at the end the following new sub-  
8 paragraph (D):

9 “(D) any period of funeral honors duty (as de-  
10 fined in section 101(d) of title 10) during which the  
11 individual concerned was disabled or died from an  
12 injury incurred or aggravated in line of duty.”.

13 (g) EFFECTIVE DATE.—This section and the amend-  
14 ments made by this section shall take effect on October  
15 1, 2001.

16 **SEC. 564. MILITARY LEAVE FOR CIVILIAN EMPLOYEES**  
17 **SERVING AS MILITARY MEMBERS OF FU-**  
18 **NERAL HONORS DETAIL.**

19 Section 6323(a) of title 5, United States Code, is  
20 amended—

21 (1) in the first sentence of paragraph (1), by  
22 striking “active duty, inactive duty training” and all  
23 that follows through “National Guard” and inserting  
24 “military duty or training described in paragraph  
25 (4)”; and

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

3           “(4) The entitlement under paragraph (1) applies to  
4 the performance of duty or training as a Reserve of the  
5 armed forces or member of the National Guard, as follows:

6           “(A) Active duty.

7           “(B) Inactive duty training (as defined in sec-  
8 tion 101 of title 37).

9           “(C) Field or coast defense training under sec-  
10 tions 502 through 505 of title 32.

11           “(D) Funeral honors duty under section 12503  
12 of title 10 or section 115 of title 32.”.

## 13           **Subtitle F—Uniformed Services** 14           **Overseas Voting**

### 15           **SEC. 571. SENSE OF THE SENATE REGARDING THE IMPOR-** 16           **TANCE OF VOTING BY MEMBERS OF THE UNI-** 17           **FORMED SERVICES.**

18           (a) SENSE OF THE SENATE.—It is the sense of the  
19 Senate that each administrator of a Federal, State, or  
20 local election should—

21           (1) be aware of the importance of the ability of  
22 each uniformed services voter to exercise their right  
23 to vote; and

24           (2) perform their duties with the intent to en-  
25 sure that—

1 (A) each uniformed services voter receives  
 2 the utmost consideration and cooperation when  
 3 voting; and

4 (B) each valid ballot cast by such a voter  
 5 is duly counted.

6 (b) UNIFORMED SERVICES VOTER DEFINED.—In  
 7 this section, the term “uniformed services voter” means—

8 (1) a member of a uniformed service (as defined  
 9 in section 101(a)(5) of title 10, United States Code)  
 10 in active service;

11 (2) a member of the merchant marine (as de-  
 12 fined in section 107 of the Uniformed and Overseas  
 13 Citizens Absentee Voting Act (42 U.S.C. 1973ff-6));  
 14 and

15 (3) a spouse or dependent of a member referred  
 16 to in subparagraph (A) or (B) who is qualified to  
 17 vote.

18 **SEC. 572. UNIFORM NONDISCRIMINATORY VOTING STAND-**  
 19 **ARDS FOR ADMINISTRATION OF ELECTIONS**  
 20 **UNDER STATE AND LOCAL ELECTION SYS-**  
 21 **TEMS.**

22 Section 102 of the Uniformed and Overseas Citizens  
 23 Absentee Voting Act (42 U.S.C. 1973ff-1) is amended—

24 (1) by inserting “(a) ELECTIONS FOR FEDERAL  
 25 OFFICES.—” before “Each State shall—”; and

1           (2) by adding at the end the following new sub-  
2           section (c):

3           “(c) GENERAL PRINCIPLES FOR VOTING BY OVER-  
4 SEAS AND ABSENT UNIFORMED SERVICE VOTERS.—(1)  
5 A State shall ensure that each voting system used within  
6 the State for elections for Federal, State, and local offices  
7 provides overseas voters and absent uniformed service vot-  
8 ers with a meaningful opportunity to exercise their voting  
9 rights as citizens of the United States.

10          “(2) A State shall count an absentee ballot for an  
11 election for Federal, State, or local office that is timely  
12 submitted by an overseas voter or absent uniformed serv-  
13 ice voter to the proper official of the State and is otherwise  
14 valid.”.

15 **SEC. 573. GUARANTEE OF RESIDENCY FOR MILITARY PER-**  
16 **SONNEL.**

17          Article VII of the Soldiers’ and Sailors’ Civil Relief  
18 Act of 1940 (50 U.S.C. App. 590 et seq.) is amended by  
19 adding at the end the following:

20          “SEC. 704. (a) For purposes of voting for any Fed-  
21 eral office (as defined in section 301 of the Federal Elec-  
22 tion Campaign Act of 1971 (2 U.S.C. 431)) or a State  
23 or local office, a person who is absent from a State in  
24 compliance with military or naval orders shall not, solely  
25 by reason of that absence—

1           “(1) be deemed to have lost a residence or  
2           domicile in that State, without regard to whether or  
3           not the person intends to return to that State;

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

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

8           “(b) In this section, the term ‘State’ includes a terri-  
9           tory or possession of the United States, a political subdivi-  
10          sion of a State, territory, or possession, and the District  
11          of Columbia.”.

12   **SEC. 574. EXTENSION OF REGISTRATION AND BALLOTING**  
13                   **RIGHTS FOR ABSENT UNIFORMED SERVICES**  
14                   **VOTERS TO STATE AND LOCAL ELECTIONS.**

15          (a) IN GENERAL.—Section 102 of the Uniformed and  
16          Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–  
17          1), as amended by section 572, is further amended by in-  
18          serting after subsection (a) the following new subsection  
19          (b):

20          “(b) ELECTIONS FOR STATE AND LOCAL OFFICES.—  
21          Each State shall—

22               “(1) permit absent uniformed services voters to  
23               use absentee registration procedures and vote by ab-  
24               sentee ballot in general, special, primary, and runoff  
25               elections for State and local offices; and

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

7           (b) CONFORMING AMENDMENT.—The heading for  
 8 title I of such Act is amended by striking **“FOR FED-  
 9 ERAL OFFICE”**.

10 **SEC. 575. USE OF SINGLE APPLICATION AS A SIMULTA-  
 11 NEOUS ABSENTEE VOTER REGISTRATION AP-  
 12 PPLICATION AND ABSENTEE BALLOT APPLICA-  
 13 TION.**

14           Subsection (a) of section 102 of the Uniformed and  
 15 Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff-  
 16 1), as redesignated by section 572(1), is further  
 17 amended—

18           (1) by striking “and” at the end of paragraph

19           (2);

20           (2) by striking the period at the end of para-  
 21 graph (3) and inserting a semicolon; and

22           (3) by inserting after paragraph (3) the fol-  
 23 lowing new paragraph (4):

24           “(4) accept and process the official post card  
 25 form (prescribed under section 101) as a simulta-

1 neous absentee voter registration application and ab-  
 2 sentee ballot application; and”.

3 **SEC. 576. USE OF SINGLE APPLICATION FOR ABSENTEE**  
 4 **BALLOTS FOR ALL FEDERAL ELECTIONS.**

5 Subsection (a) of section 102 of the Uniformed and  
 6 Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff-  
 7 1), as amended by section 575, is further amended by in-  
 8 serting after paragraph (4) the following new paragraph  
 9 (5):

10 “(5) accept and process, with respect to all gen-  
 11 eral, special, primary, and runoff elections for Fed-  
 12 eral office occurring during a year, any otherwise  
 13 valid absentee ballot application from an absent uni-  
 14 formed services voter or overseas voter, if a single  
 15 application for any such election is received by the  
 16 appropriate State election official not less than 30  
 17 days before the first election for Federal office oc-  
 18 ccurring during the year.”.

19 **SEC. 577. ELECTRONIC VOTING DEMONSTRATION**  
 20 **PROJECT.**

21 (a) IN GENERAL.—The Secretary of Defense shall  
 22 carry out a demonstration project under which absent uni-  
 23 formed services voters (as defined in section 107(1) of the  
 24 Uniformed and Overseas Citizens Absentee Voting Act (42  
 25 U.S.C. 1973ff-6(1))) are permitted to cast ballots in the

1 regularly scheduled general election for Federal office for  
2 November 2002, through an electronic voting system.

3 (b) COORDINATION WITH STATE ELECTION OFFI-  
4 CIALS.—To the greatest extent practicable, the Secretary  
5 of Defense shall carry out the demonstration project under  
6 this section through cooperative agreements with State  
7 election officials.

8 (c) REPORT TO CONGRESS.—Not later than June 1,  
9 2003, the Secretary of Defense shall submit a report to  
10 Congress analyzing the demonstration project conducted  
11 under this section, and shall include in the report any rec-  
12 ommendations the Secretary of Defense considers appro-  
13 priate for continuing the project on an expanded basis  
14 during the next regularly scheduled general election for  
15 Federal office.

16 **SEC. 578. FEDERAL VOTING ASSISTANCE PROGRAM.**

17 (a) IN GENERAL.—The Secretary of Defense shall  
18 promulgate regulations to require each of the Armed  
19 Forces to ensure their compliance with any directives  
20 issued by the Secretary of Defense in implementing the  
21 Federal Voting Assistance Program (referred to in this  
22 section as the “Program”) or any similar program.

23 (b) REVIEW AND REPORT.—(1) The Inspector Gen-  
24 eral of each of the Armed Forces shall—

1 (A) conduct an annual review of the effective-  
2 ness of the Program or any similar program;

3 (B) conduct an annual review of the compliance  
4 with the Program or any similar program of the  
5 branch; and

6 (C) submit an annual report to the Inspector  
7 General of the Department of Defense on the results  
8 of the reviews under subparagraphs (A) and (B).

9 (2) Not later than March 31, 2003, and annually  
10 thereafter, the Inspector General of the Department of  
11 Defense shall submit a report to Congress on—

12 (A) the effectiveness of the Program or any  
13 similar program; and

14 (B) the level of compliance with the Program or  
15 any similar program of the branches of the Armed  
16 Forces.

## 17 **Subtitle G—Other Matters**

### 18 **SEC. 581. PERSONS AUTHORIZED TO BE INCLUDED IN SUR-** 19 **VEYS OF MILITARY FAMILIES REGARDING** 20 **FEDERAL PROGRAMS.**

21 (a) ADDITION OF CERTAIN FAMILY MEMBERS AND  
22 SURVIVORS.—Subsection (a) of section 1782 of title 10,  
23 United States Code, is amended to read as follows:

24 “(a) AUTHORITY.—The Secretary of Defense may  
25 conduct surveys of persons to determine the effectiveness

1 of Federal programs relating to military families and the  
2 need for new programs, as follows:

3 “(1) Members of the armed forces on active  
4 duty or in an active status.

5 “(2) Retired members of the armed forces.

6 “(3) Members of the families of such members  
7 and retired members of the armed forces (including  
8 surviving members of the families of deceased mem-  
9 bers and deceased retired members).”.

10 (b) FEDERAL RECORDKEEPING REQUIREMENTS.—

11 Subsection (c) of such section is amended to read as fol-  
12 lows:

13 “(c) FEDERAL RECORDKEEPING REQUIREMENTS.—

14 With respect to a survey authorized under subsection (a)  
15 that includes a person referred to in that subsection who  
16 is not an employee of the United States or is not consid-  
17 ered an employee of the United States for the purposes  
18 of section 3502(3)(A)(i) of title 44, the person shall be  
19 considered as being an employee of the United States for  
20 the purposes of that section.”.

21 **SEC. 582. CORRECTION AND EXTENSION OF CERTAIN ARMY**

22 **RECRUITING PILOT PROGRAM AUTHORITIES.**

23 (a) CONTRACT RECRUITING INITIATIVES.—Sub-  
24 section (d)(2) of section 561 of the Floyd D. Spence Na-  
25 tional Defense Authorization Act for Fiscal Year 2001 (as

1 enacted into law by Public Law 106–398; 114 Stat.  
2 1654A–130) is amended—

3 (1) in subparagraphs (A) and (D), by inserting  
4 “and Army Reserve” after “Regular Army”; and

5 (2) in subparagraph (B), by striking “and chain  
6 of command”.

7 (b) EXTENSION OF AUTHORITY.—Subsection (e) of  
8 such section is amended by striking “December 31, 2005”  
9 and inserting “September 30, 2007”.

10 (c) EXTENSION OF TIME FOR REPORTS.—Subsection  
11 (g) of such section is amended by striking “February 1,  
12 2006” and inserting “February 1, 2008”.

13 **SEC. 583. OFFENSE OF DRUNKEN OPERATION OF A VEHI-**  
14 **CLE, AIRCRAFT, OR VESSEL UNDER THE UNI-**  
15 **FORM CODE OF MILITARY JUSTICE.**

16 (a) LOWER STANDARD OF ALCOHOL CONCENTRA-  
17 TION.—Section 911 of title 10, United States Code (arti-  
18 cle 111 of the Uniform Code of Military Justice), is  
19 amended by striking “0.10 grams” both places it appears  
20 in paragraph (2) and inserting “0.08 grams”.

21 (b) EFFECTIVE DATE.—The amendments made by  
22 subsection (a) shall take effect on the date of the enact-  
23 ment of this Act and shall apply to acts described in para-  
24 graph (2) of section 911 of title 10, United States Code,  
25 that are committed on or after that date.

1 **SEC. 584. AUTHORITY OF CIVILIAN EMPLOYEES TO ACT AS**  
 2 **NOTARIES.**

3 (a) CLARIFICATION OF STATUS OF CIVILIAN ATTOR-  
 4 NEYS ELIGIBLE TO ACT AS NOTARIES.—Subsection (b)  
 5 of section 1044a of title 10, United States Code, is amend-  
 6 ed by striking “legal assistance officers” in paragraph (2)  
 7 and inserting “legal assistance attorneys”.

8 (b) OTHER CIVILIAN EMPLOYEES DESIGNATED TO  
 9 ACT AS NOTARIES ABROAD.—Such subsection is further  
 10 amended by adding at the end the following new para-  
 11 graph:

12 “(5) For the performance of notarial acts at lo-  
 13 cations outside the United States, all employees of  
 14 a military department or the Coast Guard who are  
 15 designated by regulations of the Secretary concerned  
 16 or by statute to have those powers for exercise out-  
 17 side the United States.”.

18 **SEC. 585. REVIEW OF ACTIONS OF SELECTION BOARDS.**

19 (a) IN GENERAL.—(1) Chapter 79 of title 10, United  
 20 States Code, is amended by adding at the end the fol-  
 21 lowing:

22 **“§ 1558. Exclusive remedies in cases involving selec-**  
 23 **tion boards**

24 “(a) CORRECTION OF MILITARY RECORDS.—The  
 25 Secretary concerned may correct a person’s military  
 26 records in accordance with a recommendation made by a

1 special board. Any such correction shall be effective, retro-  
2 actively, as of the effective date of the action taken on  
3 a report of a previous selection board that resulted in the  
4 action corrected in the person's military records.

5       “(b) RELIEF ASSOCIATED WITH CORRECTIONS OF  
6 CERTAIN ACTIONS.—(1) The Secretary concerned shall  
7 ensure that a person receives relief under paragraph (2)  
8 or (3), as the person may elect, if the person—

9               “(A) was separated or retired from an armed  
10 force, or transferred to the retired reserve or to inac-  
11 tive status in a reserve component, as a result of a  
12 recommendation of a selection board; and

13               “(B) becomes entitled to retention on or res-  
14 toration to active duty or active status in a reserve  
15 component as a result of a correction of the person's  
16 military records under subsection (a).

17       “(2)(A) With the consent of a person referred to in  
18 paragraph (1), the person shall be retroactively and pro-  
19 spectively restored to the same status, rights, and entitle-  
20 ments (less appropriate offsets against back pay and al-  
21 lowances) in the person's armed force as the person would  
22 have had if the person had not been selected to be sepa-  
23 rated, retired, or transferred to the retired reserve or to  
24 inactive status in a reserve component, as the case may  
25 be, as a result of an action corrected under subsection (a).

1 An action under this subparagraph is subject to subpara-  
2 graph (B).

3 “(B) Nothing in subparagraph (A) shall be construed  
4 to permit a person to be on active duty or in an active  
5 status in a reserve component after the date on which the  
6 person would have been separated, retired, or transferred  
7 to the retired reserve or to inactive status in a reserve  
8 component if the person had not been selected to be sepa-  
9 rated, retired, or transferred to the retired reserve or to  
10 inactive status in a reserve component, as the case may  
11 be, in an action of a selection board that is corrected under  
12 subsection (a).

13 “(3) If the person does not consent to a restoration  
14 of status, rights, and entitlements under paragraph (2),  
15 the person shall receive back pay and allowances (less ap-  
16 propriate offsets) and service credit for the period begin-  
17 ning on the date of the person’s separation, retirement,  
18 or transfer to the retired reserve or to inactive status in  
19 a reserve component, as the case may be, and ending on  
20 the earlier of—

21 “(A) the date on which the person would have  
22 been so restored under paragraph (2), as determined  
23 by the Secretary concerned; or

24 “(B) the date on which the person would other-  
25 wise have been separated, retired, or transferred to

1 the retired reserve or to inactive status in a reserve  
2 component, as the case may be.

3 “(c) FINALITY OF UNFAVORABLE ACTION.—If a spe-  
4 cial board makes a recommendation not to correct the  
5 military records of a person regarding action taken in the  
6 case of that person on the basis of a previous report of  
7 a selection board, the action previously taken on that re-  
8 port shall be considered as final as of the date of the ac-  
9 tion taken on that report.

10 “(d) REGULATIONS.—(1) The Secretary concerned  
11 may prescribe regulations to carry out this section (other  
12 than subsection (e)) with respect to the armed force or  
13 armed forces under the jurisdiction of the Secretary.

14 “(2) The Secretary may prescribe in the regulations  
15 the circumstances under which consideration by a special  
16 board may be provided for under this section, including  
17 the following:

18 “(A) The circumstances under which consider-  
19 ation of a person’s case by a special board is contin-  
20 gent upon application by or for that person.

21 “(B) Any time limits applicable to the filing of  
22 an application for consideration.

23 “(3) Regulations prescribed by the Secretary of a  
24 military department under this subsection shall be subject  
25 to the approval of the Secretary of Defense.

1       “(e) JUDICIAL REVIEW.—(1) A person challenging  
2 for any reason the action or recommendation of a selection  
3 board, or the action taken by the Secretary concerned on  
4 the report of a selection board, is not entitled to relief in  
5 any judicial proceeding unless the person has first been  
6 considered by a special board under this section or the  
7 Secretary concerned has denied such consideration.

8       “(2) A court of the United States may review a deter-  
9 mination by the Secretary concerned not to convene a spe-  
10 cial board in the case of any person. In any such case,  
11 a court may set aside the Secretary’s determination only  
12 if the court finds the determination to be arbitrary or ca-  
13 pricious, not based on substantial evidence, or otherwise  
14 contrary to law. If a court sets aside a determination not  
15 to convene a special board, it shall remand the case to  
16 the Secretary concerned, who shall provide for consider-  
17 ation of the person by a special board.

18       “(3) A court of the United States may review a rec-  
19 ommendation of a special board or an action of the Sec-  
20 retary concerned on the report of a special board convened  
21 for consideration of a person. In any such case, a court  
22 may set aside the recommendation or action, as the case  
23 may be, only if the court finds that the recommendation  
24 or action was contrary to law or involved a material error  
25 of fact or a material administrative error. If a court sets

1 aside the recommendation of a special board, it shall re-  
2 mand the case to the Secretary concerned, who shall pro-  
3 vide for reconsideration of the person by another special  
4 board. If a court sets aside the action of the Secretary  
5 concerned on the report of a special board, it shall remand  
6 the case to the Secretary concerned for a new action on  
7 the report of the special board.

8       “(4)(A) If, not later than six months after receiving  
9 a complete application for consideration by a special board  
10 in any case, the Secretary concerned has not convened a  
11 special board and has not denied consideration by a special  
12 board in that case, the Secretary shall be deemed to have  
13 denied the consideration of the case for the purposes of  
14 this subsection.

15       “(B) If, not later than one year after the convening  
16 of a special board in any case, the Secretary concerned  
17 has not taken final action on the report of the special  
18 board, the Secretary shall be deemed to have denied relief  
19 in such case for the purposes of this subsection.

20       “(C) Under regulations prescribed under subsection  
21 (d), the Secretary concerned may waive the applicability  
22 of subparagraph (A) or (B) in a case if the Secretary de-  
23 termines that a longer period for consideration of the case  
24 is warranted. The Secretary of a military department may

1 not delegate authority to make a determination under this  
2 subparagraph.

3 “(f) EXCLUSIVITY OF REMEDIES.—Notwithstanding  
4 any other provision of law, but subject to subsection (g),  
5 the remedies provided under this section are the only rem-  
6 edies available to a person for correcting an action or rec-  
7 ommendation of a selection board regarding that person  
8 or an action taken on the report of a selection board re-  
9 garding that person.

10 “(g) EXISTING JURISDICTION.—(1) Nothing in this  
11 section limits the jurisdiction of any court of the United  
12 States under any provision of law to determine the validity  
13 of any statute, regulation, or policy relating to selection  
14 boards, except that, in the event that any such statute,  
15 regulation, or policy is held invalid, the remedies pre-  
16 scribed in this section shall be the sole and exclusive rem-  
17 edies available to any person challenging the recommenda-  
18 tion of a special board on the basis of the invalidity.

19 “(2) Nothing in this section limits authority to cor-  
20 rect a military record under section 1552 of this title.

21 “(h) INAPPLICABILITY TO COAST GUARD.—This sec-  
22 tion does not apply to the Coast Guard when it is not  
23 operating as a service in the Navy.

24 “(i) DEFINITIONS.—In this section:

25 “(1) The term ‘special board’—

1           “(A) means a board that the Secretary  
2 concerned convenes under any authority to con-  
3 sider whether to recommend a person for ap-  
4 pointment, enlistment, reenlistment, assign-  
5 ment, promotion, retention, separation, retire-  
6 ment, or transfer to inactive status in a reserve  
7 component instead of referring the records of  
8 that person for consideration by a previously  
9 convened selection board which considered or  
10 should have considered that person;

11           “(B) includes a board for the correction of  
12 military or naval records convened under sec-  
13 tion 1552 of this title, if designated as a special  
14 board by the Secretary concerned; and

15           “(C) does not include a promotion special  
16 selection board convened under section 628 or  
17 14502 of this title.

18           “(2) The term ‘selection board’—

19           “(A) means a selection board convened  
20 under section 573(c), 580, 580a, 581, 611(b),  
21 637, 638, 638a, 14101(b), 14701, 14704, or  
22 14705 of this title, and any other board con-  
23 vened by the Secretary concerned under any au-  
24 thority to recommend persons for appointment,  
25 enlistment, reenlistment, assignment, pro-

1 motion, or retention in the armed forces or for  
 2 separation, retirement, or transfer to inactive  
 3 status in a reserve component for the purpose  
 4 of reducing the number of persons serving in  
 5 the armed forces; and

6 “(B) does not include—

7 “(i) a promotion board convened  
 8 under section 573(a), 611(a), or 14101(a)  
 9 of this title;

10 “(ii) a special board;

11 “(iii) a special selection board con-  
 12 vened under section 628 of this title; or

13 “(iv) a board for the correction of  
 14 military records convened under section  
 15 1552 of this title.”.

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

“1558. Exclusive remedies in cases involving selection boards .”.

18 (b) SPECIAL SELECTION BOARDS.—Section 628 of  
 19 such title is amended—

20 (1) by redesignating subsection (g) as sub-  
 21 section (j); and

22 (2) by inserting after subsection (f) the fol-  
 23 lowing:

24 “(g) JUDICIAL REVIEW.—(1) A court of the United  
 25 States may review a determination by the Secretary con-

1 cerned under subsection (a)(1) or (b)(1) not to convene  
2 a special selection board in the case of an officer or former  
3 officer of the armed forces. If the court finds the deter-  
4 mination to be arbitrary or capricious, not based on sub-  
5 stantial evidence, or otherwise contrary to law, it shall re-  
6 mand the case to the Secretary concerned, who shall pro-  
7 vide for consideration of the officer or former officer by  
8 a special selection board under this section.

9       “(2) A court of the United States may review the ac-  
10 tion of a special selection board convened under this sec-  
11 tion upon the request of an officer or former officer of  
12 the armed forces and any action taken by the President  
13 on the report of the board. If the court finds that the ac-  
14 tion was contrary to law or involved a material error of  
15 fact or a material administrative error, it shall remand  
16 the case to the Secretary concerned, who shall provide for  
17 reconsideration of the officer or former officer by another  
18 special selection board.

19       “(3)(A) For the purposes of this subsection, the Sec-  
20 retary concerned shall be deemed to have determined not  
21 to convene a special selection board under subsection  
22 (a)(1) or (b)(1) in the case of an officer or former officer  
23 of the armed forces upon a failure of the Secretary to  
24 make a determination on the convening of a special selec-  
25 tion board in that case within six months after receiving

1 a properly completed request to convene a special selection  
2 board under that authority in that case.

3 “(B) Under regulations prescribed by the Secretary  
4 concerned, the Secretary may waive the applicability of  
5 subparagraph (A) in the case of a request for the con-  
6 vening of a special selection board if the Secretary deter-  
7 mines that a longer period for consideration of the request  
8 is warranted. The Secretary concerned may not delegate  
9 authority to make a determination under this subpara-  
10 graph.

11 “(h) LIMITATIONS OF OTHER JURISDICTION.—(1)  
12 No official or court of the United States may, with respect  
13 to a claim based to any extent on the failure of an officer  
14 or former officer of the armed forces to be selected for  
15 promotion by a promotion board—

16 “(A) consider the claim unless the officer or  
17 former officer has first been referred by the Sec-  
18 retary concerned to a special selection board con-  
19 vened under this section and acted upon by that  
20 board and the report of the board has been approved  
21 by the President; or

22 “(B) except as provided in subsection (g), grant  
23 any relief on the claim unless the officer or former  
24 officer has been selected for promotion by a special  
25 selection board convened under this section to con-

1       sider the officer for recommendation for promotion  
2       and the report of the board has been approved by  
3       the President.

4       “(i) EXISTING JURISDICTION.—(1) Nothing in this  
5       section limits the jurisdiction of any court of the United  
6       States under any provision of law to determine the validity  
7       of any statute, regulation, or policy relating to selection  
8       boards, except that, in the event that any such statute,  
9       regulation, or policy is held invalid, the remedies pre-  
10      scribed in this section shall be the sole and exclusive rem-  
11      edies available to any person challenging the recommenda-  
12      tion of a selection board on the basis of the invalidity.

13      “(2) Nothing in this section limits authority to cor-  
14      rect a military record under section 1552 of this title.”.

15      (c) EFFECTIVE DATE AND APPLICABILITY.—(1) The  
16      amendments made by this section shall take effect on the  
17      date of the enactment of this Act and, except as provided  
18      in paragraph (2), shall apply with respect to any pro-  
19      ceeding pending on or after that date without regard to  
20      whether a challenge to an action of a selection board of  
21      any of the Armed Forces being considered in such pro-  
22      ceeding was initiated before, on, or after that date.

23      (2) The amendments made by this section shall not  
24      apply with respect to any action commenced in a court

1 of the United States before the date of the enactment of  
2 this Act.

3 **SEC. 586. ACCEPTANCE OF VOLUNTARY LEGAL ASSISTANCE**  
4 **FOR THE CIVIL AFFAIRS OF MEMBERS AND**  
5 **FORMER MEMBERS OF THE UNIFORMED**  
6 **SERVICES AND THEIR DEPENDENTS.**

7 (a) **AUTHORITY.**—Subsection (a) of section 1588 of  
8 title 10, United States Code, is amended by adding at the  
9 end the following new paragraph:

10 “(5) Legal services voluntarily provided as legal  
11 assistance under section 1044 of this title.”.

12 (b) **DEFENSE OF LEGAL MALPRACTICE.**—Subsection  
13 (d)(1) of that section is amended by adding at the end  
14 the following new subparagraph:

15 “(E) Section 1054 of this title (relating to legal  
16 malpractice), for a person voluntarily providing legal  
17 services accepted under subsection (a)(5), as if the  
18 person were providing the services as an attorney of  
19 a legal staff within the Department of Defense.”.

20 **SEC. 587. EXTENSION OF DEFENSE TASK FORCE ON DOMES-**  
21 **TIC VIOLENCE.**

22 Section 591(j) of the National Defense Authorization  
23 Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat.  
24 641, 10 U.S.C. 1562 note) is amended by striking “three

1 years after the date of the enactment of this Act” and  
 2 inserting “April 24, 2003”.

3 **SEC. 588. TRANSPORTATION TO ANNUAL MEETING OF**  
 4 **NEXT-OF-KIN OF PERSONS UNACCOUNTED**  
 5 **FOR FROM CONFLICTS AFTER WORLD WAR II.**

6 (a) IN GENERAL.—(1) Chapter 157 of title 10,  
 7 United States Code, is amended by adding at the end the  
 8 following new section:

9 **“§ 2647. Transportation to annual meeting of next-of-**  
 10 **kin of persons unaccounted for from con-**  
 11 **licts after World War II**

12 “The Secretary of Defense may provide transpor-  
 13 tation for the next-of-kin of persons who are unaccounted  
 14 for from the Korean conflict, the Cold War, Vietnam War  
 15 era, or the Persian Gulf War to and from those annual  
 16 meetings sanctioned by the Department of Defense in the  
 17 United States. Such transportation shall be provided  
 18 under such regulations as the Secretary of Defense may  
 19 prescribe.”.

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

“2647. Transportation to annual meeting of next-of-kin of persons unaccounted  
 for from conflicts after World War II.”.

23 (b) EFFECTIVE DATE.—Section 2647 of title 10,  
 24 United States Code, as added by subsection (a), shall take

1 effect on October 1, 2001, or the date of the enactment  
 2 of this Act, whichever is later.

3 **TITLE VI—COMPENSATION AND**  
 4 **OTHER PERSONNEL BENEFITS**  
 5 **Subtitle A—Pay and Allowances**

6 **SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2002.**

7 (a) WAIVER OF SECTION 1009 ADJUSTMENT.—The  
 8 adjustment to become effective during fiscal year 2002 re-  
 9 quired by section 1009 of title 37, United States Code,  
 10 in the rates of monthly basic pay authorized members of  
 11 the uniformed services shall not be made.

12 (b) INCREASE IN BASIC PAY.—Effective on January  
 13 1, 2002, the rates of monthly basic pay for members of  
 14 the uniformed services within each pay grade are as fol-  
 15 lows:

COMMISSIONED OFFICERS<sup>1</sup>

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
O-10 <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9 ...	0.00	0.00	0.00	0.00	0.00
O-8 ...	7,180.20	7,415.40	7,571.10	7,614.90	7,809.30
O-7 ...	5,966.40	6,371.70	6,371.70	6,418.20	6,657.90
O-6 ...	4,422.00	4,857.90	5,176.80	5,176.80	5,196.60
O-5 ...	3,537.00	4,152.60	4,440.30	4,494.30	4,673.10
O-4 ...	3,023.70	3,681.90	3,927.60	3,982.50	4,210.50
O-3 <sup>3</sup>	2,796.60	3,170.40	3,421.80	3,698.70	3,875.70
O-2 <sup>3</sup>	2,416.20	2,751.90	3,169.50	3,276.30	3,344.10
O-1 <sup>3</sup>	2,097.60	2,183.10	2,638.50	2,638.50	2,638.50
	Over 8	Over 10	Over 12	Over 14	Over 16
O-10 <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9 ...	0.00	0.00	0.00	0.00	0.00
O-8 ...	8,135.10	8,210.70	8,519.70	8,608.50	8,874.30
O-7 ...	6,840.30	7,051.20	7,261.80	7,472.70	8,135.10
O-6 ...	5,418.90	5,448.60	5,448.60	5,628.60	6,305.70
O-5 ...	4,673.10	4,813.50	5,073.30	5,413.50	5,755.80
O-4 ...	4,395.90	4,696.20	4,930.20	5,092.50	5,255.70

COMMISSIONED OFFICERS<sup>1</sup>—Continued

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
O-3 <sup>3</sup>	4,070.10	4,232.40	4,441.20	4,549.50	4,549.50
O-2 <sup>3</sup>	3,344.10	3,344.10	3,344.10	3,344.10	3,344.10
O-1 <sup>3</sup>	2,638.50	2,638.50	2,638.50	2,638.50	2,638.50
	Over 18	Over 20	Over 22	Over 24	Over 26
O-10 <sup>2</sup>	\$0.00	11,601.90	11,659.20	11,901.30	12,324.00
O-9 ...	0.00	10,147.50	10,293.60	10,504.80	10,873.80
O-8 ...	9,259.50	9,614.70	9,852.00	9,852.00	9,852.00
O-7 ...	8,694.90	8,694.90	8,694.90	8,694.90	8,738.70
O-6 ...	6,627.00	6,948.30	7,131.00	7,316.10	7,675.20
O-5 ...	5,919.00	6,079.80	6,262.80	6,262.80	6,262.80
O-4 ...	5,310.60	5,310.60	5,310.60	5,310.60	5,310.60
O-3 <sup>3</sup>	4,549.50	4,549.50	4,549.50	4,549.50	4,549.50
O-2 <sup>3</sup>	3,344.10	3,344.10	3,344.10	3,344.10	3,344.10
O-1 <sup>3</sup>	2,638.50	2,638.50	2,638.50	2,638.50	2,638.50

<sup>1</sup>Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades O-7 through O-10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.

<sup>2</sup>Subject to the preceding footnote, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, the rate of basic pay for this grade is \$13,598.10, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

<sup>3</sup>This table does not apply to commissioned officers in pay grade O-1, O-2, or O-3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

## COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER

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
O-3E	\$0.00	\$0.00	\$0.00	3,698.70	3,875.70
O-2E	0.00	0.00	0.00	3,276.30	3,344.10
O-1E	0.00	0.00	0.00	2,638.50	2,818.20
	Over 8	Over 10	Over 12	Over 14	Over 16
O-3E	4,070.10	4,232.40	4,441.20	4,617.00	4,717.50
O-2E	3,450.30	3,630.00	3,768.90	3,872.40	3,872.40
O-1E	2,922.30	3,028.50	3,133.20	3,276.30	3,276.30
	Over 18	Over 20	Over 22	Over 24	Over 26
O-3E	4,855.20	4,855.20	4,855.20	4,855.20	4,855.20
O-2E	3,872.40	3,872.40	3,872.40	3,872.40	3,872.40
O-1E	3,276.30	3,276.30	3,276.30	3,276.30	3,276.30

WARRANT OFFICERS<sup>1</sup>

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
W-5 ..	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4 ..	2,889.60	3,108.60	3,198.00	3,285.90	3,437.10
W-3 ..	2,638.80	2,862.00	2,862.00	2,898.90	3,017.40
W-2 ..	2,321.40	2,454.00	2,569.80	2,654.10	2,726.40

WARRANT OFFICERS<sup>1</sup>—Continued

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
W-1 ..	2,049.90	2,217.60	2,330.10	2,402.70	2,511.90
	Over 8	Over 10	Over 12	Over 14	Over 16
W-5 ..	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4 ..	3,586.50	3,737.70	3,885.30	4,038.00	4,184.40
W-3 ..	3,152.40	3,330.90	3,439.50	3,558.30	3,693.90
W-2 ..	2,875.20	2,984.40	3,093.90	3,200.40	3,318.00
W-1 ..	2,624.70	2,737.80	2,850.00	2,963.70	3,077.10
	Over 18	Over 20	Over 22	Over 24	Over 26
W-5 ..	\$0.00	4,965.60	5,136.00	5,307.00	5,478.60
W-4 ..	4,334.40	4,480.80	4,632.60	4,782.00	4,935.30
W-3 ..	3,828.60	3,963.60	4,098.30	4,233.30	4,368.90
W-2 ..	3,438.90	3,559.80	3,680.10	3,801.30	3,801.30
W-1 ..	3,189.90	3,275.10	3,275.10	3,275.10	3,275.10

<sup>1</sup>Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for warrant officers may not exceed the rate of pay for level V of the Executive Schedule.

ENLISTED MEMBERS<sup>1</sup>

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-9 <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E-8 ...	0.00	0.00	0.00	0.00	0.00
E-7 ...	1,986.90	2,169.00	2,251.50	2,332.50	2,417.40
E-6 ...	1,701.00	1,870.80	1,953.60	2,033.70	2,117.40
E-5 ...	1,561.50	1,665.30	1,745.70	1,828.50	1,912.80
E-4 ...	1,443.60	1,517.70	1,599.60	1,680.30	1,752.30
E-3 ...	1,303.50	1,385.40	1,468.50	1,468.50	1,468.50
E-2 ...	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E-1 ...	<sup>3</sup> 1,105.50	1,105.50	1,105.50	1,105.50	1,105.50
	Over 8	Over 10	Over 12	Over 14	Over 16
E-9 <sup>2</sup>	\$0.00	\$3,423.90	3,501.30	3,599.40	3,714.60
E-8 ...	2,858.10	2,940.60	3,017.70	3,110.10	3,210.30
E-7 ...	2,562.90	2,645.10	2,726.40	2,808.00	2,892.60
E-6 ...	2,254.50	2,337.30	2,417.40	2,499.30	2,558.10
E-5 ...	2,030.10	2,110.20	2,193.30	2,193.30	2,193.30
E-4 ...	1,752.30	1,752.30	1,752.30	1,752.30	1,752.30
E-3 ...	1,468.50	1,468.50	1,468.50	1,468.50	1,468.50
E-2 ...	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E-1 ...	1,105.50	1,105.50	1,105.50	1,105.50	1,105.50
	Over 18	Over 20	Over 22	Over 24	Over 26
E-9 <sup>2</sup>	\$3,830.40	3,944.10	4,098.30	4,251.30	4,467.00
E-8 ...	3,314.70	3,420.30	3,573.00	3,724.80	3,937.80
E-7 ...	2,975.10	3,057.30	3,200.40	3,292.80	3,526.80
E-6 ...	2,602.80	2,602.80	2,602.80	2,602.80	2,602.80
E-5 ...	2,193.30	2,193.30	2,193.30	2,193.30	2,193.30
E-4 ...	1,752.30	1,752.30	1,752.30	1,752.30	1,752.30
E-3 ...	1,468.50	1,468.50	1,468.50	1,468.50	1,468.50
E-2 ...	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30

ENLISTED MEMBERS<sup>1</sup>—Continued

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-1 ...	1,105.50	1,105.50	1,105.50	1,105.50	1,105.50

<sup>1</sup>Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

<sup>2</sup>Subject to the preceding footnote, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is \$5,382.90, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

<sup>3</sup>In the case of members in pay grade E-1 who have served less than 4 months on active duty, the rate of basic pay is \$1,022.70.

1 **SEC. 602. BASIC PAY RATE FOR CERTAIN RESERVE COM-**  
2 **MISSIONED OFFICERS WITH PRIOR SERVICE**  
3 **AS AN ENLISTED MEMBER OR WARRANT OF-**  
4 **FICER.**

5 (a) SERVICE CREDIT.—Section 203(d) of title 37,  
6 United States Code, is amended—

7 (1) by inserting “(1)” after “(d)”;

8 (2) by striking “active service as a warrant offi-  
9 cer or as a warrant officer and an enlisted member”  
10 and inserting “service described in paragraph (2)”;  
11 and

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

14 “(2) Service to be taken into account for purposes  
15 of computing basic pay under paragraph (1) is as follows:

16 “(A) Active service as a warrant officer or as  
17 a warrant officer and an enlisted member, in the  
18 case of—



1 requirements imposed on members of the uniformed serv-  
2 ices by law or regulations if—

3           “(A) the particular activity in pursuit of the  
4 satisfaction of such requirements is an activity ap-  
5 proved for that period of instruction or duty by the  
6 commander who prescribes the instruction or duty  
7 for the member for that period; and

8           “(B) the member attains the learning objectives  
9 required for the period of instruction or duty, as de-  
10 termined under regulations prescribed by the Sec-  
11 retary concerned.

12           “(2) Acceptable means of pursuit of the satisfaction  
13 of educational requirements for the purposes of compensa-  
14 tion under this section include any means (which may in-  
15 clude electronic, documentary, or distributed learning)  
16 that is authorized for the attainment of educational credit  
17 toward the satisfaction of those requirements in regula-  
18 tions prescribed by the Secretary concerned.”.

19           (b) DEFINITION OF INACTIVE-DUTY TRAINING.—  
20 Section 101(22) of title 37, United States Code, is amend-  
21 ed by striking “but does not include work or study in con-  
22 nection with a correspondence course of a uniformed serv-  
23 ice”.

1 **SEC. 604. CLARIFICATIONS FOR TRANSITION TO RE-**  
2 **FORMED BASIC ALLOWANCE FOR SUBSIST-**  
3 **ENCE.**

4 (a) **BASELINE AMOUNT FOR CALCULATING ALLOW-**  
5 **ANCE FOR ENLISTED MEMBERS.**—For the purposes of  
6 section 402(b)(2) of title 37, United States Code, the  
7 monthly rate of basic allowance for subsistence that is in  
8 effect for an enlisted member for the year ending Decem-  
9 ber 31, 2001, is \$233.

10 (b) **RATE FOR ENLISTED MEMBERS WHEN MESSING**  
11 **FACILITIES NOT AVAILABLE.**—(1) Notwithstanding sec-  
12 tion 402 of title 37, United States Code, the Secretary  
13 of Defense, or the Secretary of Transportation with re-  
14 spect to the Coast Guard when it is not operating as a  
15 service in the Navy, may prescribe a rate of basic allow-  
16 ance for subsistence to apply to enlisted members of the  
17 uniformed services when messing facilities of the United  
18 States are not available. The rate may be higher than the  
19 rate of basic allowance for subsistence that would other-  
20 wise be applicable to the members under that section, but  
21 may not be higher than the highest rate that was in effect  
22 for enlisted members of the uniformed services under  
23 those circumstances before the date of the enactment of  
24 this Act.

25 (2) Paragraph (1) shall cease to be effective on the  
26 first day of the first month for which the basic allowance

1 for subsistence calculated for enlisted members of the uni-  
2 formed services under section 402 of title 37, United  
3 States Code, exceeds the rate of the basic allowance for  
4 subsistence prescribed under that paragraph.

5 (c) DATE FOR EARLY TERMINATION OF BAS TRAN-  
6 SITIONAL AUTHORITY.—Section 603(c) of the Floyd D.  
7 Spence National Defense Authorization Act for Fiscal  
8 Year 2001 (as enacted into law by Public Law 106–398;  
9 114 Stat. 1654A–145) is amended by striking “October  
10 1, 2001,” and inserting “January 1, 2002,”.

11 **SEC. 605. INCREASE IN BASIC ALLOWANCE FOR HOUSING**  
12 **IN THE UNITED STATES.**

13 (a) ACCELERATION OF INCREASE.—Subsection  
14 403(b)(1) of title 37, United States Code, is amended by  
15 adding at the end the following: “After September 30,  
16 2002, the rate prescribed for a grade and dependency sta-  
17 tus for a military housing area in the United States may  
18 not be less than the median cost of adequate housing for  
19 members in that grade and dependency status in that  
20 area, as determined on the basis of the costs of adequate  
21 housing determined for the area under paragraph (2).”.

22 (b) FISCAL YEAR 2002 RATES.—(1) Subject to sub-  
23 section (b)(3) of section 403 of title 37, United States  
24 Code, in the administration of such section 403 for fiscal  
25 year 2002, the monthly amount of a basic allowance for

1 housing for an area of the United States for a member  
2 of a uniformed service shall be equal to 92.5 percent of  
3 the monthly cost of adequate housing in that area, as de-  
4 termined by the Secretary of Defense, for members of the  
5 uniformed services serving in the same pay grade and with  
6 the same dependency status as the member.

7 (2) In addition to the amount determined by the Sec-  
8 retary of Defense under section 403(b)(3) of title 37,  
9 United States Code, to be the total amount to be paid  
10 during fiscal year 2002 for the basic allowance for housing  
11 for military housing areas inside the United States,  
12 \$232,000,000 of the amount authorized to be appro-  
13 priated by section 421 for military personnel may be used  
14 by the Secretary to further increase the total amount  
15 available for the basic allowance for housing for military  
16 housing areas inside the United States.

17 **SEC. 606. CLARIFICATION OF ELIGIBILITY FOR SUPPLE-**  
18 **MENTAL SUBSISTENCE ALLOWANCE.**

19 Section 402a(b)(1) of title 37, United States Code,  
20 is amended by inserting “with dependents” after “a mem-  
21 ber of the armed forces”.

22 **SEC. 607. CORRECTION OF LIMITATION ON ADDITIONAL**  
23 **UNIFORM ALLOWANCE FOR OFFICERS.**

24 Section 416(b)(1) of title 37, United States Code, is  
25 amended by striking “\$200” and inserting “\$400”.

1 **SEC. 608. PAYMENT FOR UNUSED LEAVE IN EXCESS OF 60**  
 2 **DAYS ACCRUED BY MEMBERS OF RESERVE**  
 3 **COMPONENTS ON ACTIVE DUTY FOR ONE**  
 4 **YEAR OR LESS.**

5 (a) **ELIGIBILITY.**—Section 501(b)(5) of title 37,  
 6 United States Code, is amended by—

7 (1) striking “or” at the end of subparagraph  
 8 (B);

9 (2) striking the period at the end of subpara-  
 10 graph (C) and inserting “; or”; and

11 (3) adding at the end the following new sub-  
 12 paragraph:

13 “(D) by a member of a reserve component while  
 14 serving on active duty, full-time National Guard  
 15 duty, or active duty for training for a period of more  
 16 than 30 days but not in excess of 365 days.”.

17 (b) **EFFECTIVE DATE.**—This section and the amend-  
 18 ments made by this section shall take effect on October  
 19 1, 2001, and shall apply with respect to periods of active  
 20 duty that begin on or after that date.

21 **Subtitle B—Bonuses and Special**  
 22 **and Incentive Pays**

23 **SEC. 611. EXTENSION OF CERTAIN BONUSSES AND SPECIAL**  
 24 **PAY AUTHORITIES FOR RESERVE FORCES.**

25 (a) **SPECIAL PAY FOR HEALTH PROFESSIONALS IN**  
 26 **CRITICALLY SHORT WARTIME SPECIALTIES.**—Section

1 302g(f) of title 37, United States Code, is amended by  
2 striking “December 31, 2001” and inserting “December  
3 31, 2002”.

4 (b) SELECTED RESERVE REENLISTMENT BONUS.—  
5 Section 308b(f) of such title is amended by striking “De-  
6 cember 31, 2001” and inserting “December 31, 2002”.

7 (c) SELECTED RESERVE ENLISTMENT BONUS.—Sec-  
8 tion 308c(e) of such title is amended by striking “Decem-  
9 ber 31, 2001” and inserting “December 31, 2002”.

10 (d) SPECIAL PAY FOR ENLISTED MEMBERS AS-  
11 SIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section  
12 308d(e) of such title is amended by striking “December  
13 31, 2001” and inserting “December 31, 2002”.

14 (e) SELECTED RESERVE AFFILIATION BONUS.—Sec-  
15 tion 308e(e) of such title is amended by striking “Decem-  
16 ber 31, 2001” and inserting “December 31, 2002”.

17 (f) READY RESERVE ENLISTMENT AND REENLIST-  
18 MENT BONUS.—Section 308h(g) of such title is amended  
19 by striking “December 31, 2001” and inserting “Decem-  
20 ber 31, 2002”.

21 (g) PRIOR SERVICE ENLISTMENT BONUS.—Section  
22 308i(f) of such title is amended by striking “December  
23 31, 2001” and inserting “December 31, 2002”.

24 (h) REPAYMENT OF EDUCATION LOANS FOR CER-  
25 TAIN HEALTH PROFESSIONALS WHO SERVE IN THE SE-

1 LECTED RESERVE.—Section 16302(d) of title 10, United  
2 States Code, is amended by striking “January 1, 2002”  
3 and inserting “January 1, 2003”.

4 **SEC. 612. EXTENSION OF CERTAIN BONUSES AND SPECIAL**  
5 **PAY AUTHORITIES FOR NURSE OFFICER CAN-**  
6 **DIDATES, REGISTERED NURSES, AND NURSE**  
7 **ANESTHETISTS.**

8 (a) NURSE OFFICER CANDIDATE ACCESSION PRO-  
9 GRAM.—Section 2130a(a)(1) of title 10, United States  
10 Code, is amended by striking “December 31, 2001” and  
11 inserting “December 31, 2002”.

12 (b) ACCESSION BONUS FOR REGISTERED NURSES.—  
13 Section 302d(a)(1) of title 37, United States Code, is  
14 amended by striking “December 31, 2001” and inserting  
15 “December 31, 2002”.

16 (c) INCENTIVE SPECIAL PAY FOR NURSE ANES-  
17 THETISTS.—Section 302e(a)(1) of title 37, United States  
18 Code, is amended by striking “December 31, 2001” and  
19 inserting “December 31, 2002”.

20 **SEC. 613. EXTENSION OF SPECIAL PAY AND BONUS AU-**  
21 **THORITIES FOR NUCLEAR OFFICERS.**

22 (a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFI-  
23 CERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section  
24 312(e) of such title is amended by striking “December 31,  
25 2001” and inserting “December 31, 2002”.

1 (b) NUCLEAR CAREER ACCESSION BONUS.—Section  
2 312b(c) of such title is amended by striking “December  
3 31, 2001” and inserting “December 31, 2002”.

4 (c) NUCLEAR CAREER ANNUAL INCENTIVE  
5 BONUS.—Section 312c(d) of such title is amended by  
6 striking “December 31, 2001” and inserting “December  
7 31, 2002”.

8 **SEC. 614. EXTENSION OF AUTHORITIES RELATING TO PAY-**  
9 **MENT OF OTHER BONUSES AND SPECIAL**  
10 **PAYS.**

11 (a) AVIATION OFFICER RETENTION BONUS.—Sec-  
12 tion 301b(a) of title 37, United States Code, is amended  
13 by striking “December 31, 2001,” and inserting “Decem-  
14 ber 31, 2002,”.

15 (b) REENLISTMENT BONUS FOR ACTIVE MEM-  
16 BERS.—Section 308(g) of such title is amended by strik-  
17 ing “December 31, 2001” and inserting “December 31,  
18 2002”.

19 (c) BONUS FOR ENLISTMENT FOR TWO OR MORE  
20 YEARS.—Section 309(e) of such title is amended by strik-  
21 ing “December 31, 2001” and inserting “December 31,  
22 2002”.

23 (d) RETENTION BONUS FOR MEMBERS WITH CRIT-  
24 ICAL SKILLS.—Section 323(i) of such title is amended by

1 striking “December 31, 2001” and inserting “December  
2 31, 2002”.

3 **SEC. 615. HAZARDOUS DUTY PAY FOR MEMBERS OF MARI-**  
4 **TIME VISIT, BOARD, SEARCH, AND SEIZURE**  
5 **TEAMS.**

6 (a) ELIGIBILITY.—Section 301(a) of title 37, United  
7 States Code, is amended—

8 (1) by striking “or” at the end of paragraph  
9 (10);

10 (2) by striking the period at the end of para-  
11 graph (11) and inserting “; or”; and

12 (3) by inserting at the end the following new  
13 paragraph:

14 “(12) involving regular participation as a mem-  
15 ber of a team conducting visit, board, search, and  
16 seizure operations aboard vessels in support of mari-  
17 time interdiction operations.”.

18 (b) EFFECTIVE DATE.—This section and the amend-  
19 ments made by this section shall take effect on October  
20 1, 2001.

21 **SEC. 616. SUBMARINE DUTY INCENTIVE PAY RATES.**

22 (a) AUTHORITY.—Section 301c of title 37, United  
23 States Code, is amended by striking subsection (b) and  
24 inserting the following:

1       “(b) The Secretary of the Navy shall prescribe the  
2 monthly rates of submarine duty incentive pay. The max-  
3 imum monthly rate may not exceed \$1,000.”.

4       (b) CONFORMING AMENDMENTS.—(1) Subsection (a)  
5 of such section is amended—

6           (A) by striking “in the amount set forth in sub-  
7 section (b)” in paragraphs (1) and (2); and

8           (B) in paragraph (4), by striking “that pay in  
9 the amount set forth in subsection (b)” and insert-  
10 ing “submarine duty incentive pay”.

11       (2) Subsection (d) of such section is amended by  
12 striking “monthly incentive pay authorized by subsection  
13 (b)” and inserting “monthly submarine duty incentive pay  
14 authorized”.

15       (c) EFFECTIVE DATE.—The amendments made by  
16 this section shall take effect on October 1, 2002.

17 **SEC. 617. CAREER SEA PAY.**

18       (a) IN GENERAL.—Section 305a(d) of title 37,  
19 United States Code, is amended by adding at the end the  
20 following: “Under no circumstances shall a member of the  
21 uniformed services be excluded from this entitlement by  
22 virtue of his or her rank, no matter how junior, or sub-  
23 jected to a minimum time in service or underway in order  
24 to rate this entitlement.”.

1 (b) EFFECTIVE DATE AND APPLICABILITY.—The  
2 amendment made by subsection (a) shall take effect on  
3 October 1, 2001, and shall apply with respect to pay peri-  
4 ods beginning on or after that date.

5 **SEC. 618. MODIFICATION OF ELIGIBILITY REQUIREMENTS**  
6 **FOR INDIVIDUAL READY RESERVE BONUS**  
7 **FOR REENLISTMENT, ENLISTMENT, OR EX-**  
8 **TENSION OF ENLISTMENT.**

9 (a) ELIGIBILITY BASED ON QUALIFICATIONS IN  
10 CRITICALLY SHORT WARTIME SKILLS OR SPECIALTIES.—  
11 Section 308h(a) of title 37, United States Code, is amend-  
12 ed to read as follows:

13 “(a)(1) The Secretary concerned may pay a bonus as  
14 provided in subsection (b) to an eligible person who reen-  
15 lists, enlists, or voluntarily extends an enlistment in a re-  
16 serve component of an armed force for assignment to an  
17 element (other than the Selected Reserve) of the Ready  
18 Reserve of that armed force if the reenlistment, enlist-  
19 ment, or extension is for a period of three years, or for  
20 a period of six years, beyond any other period the person  
21 is obligated to serve.

22 “(2) A person is eligible for a bonus under this sec-  
23 tion if the person—

24 “(A) is or has been a member of an armed  
25 force;

1           “(B) is qualified in a skill or specialty des-  
2           ignated by the Secretary concerned as a critically  
3           short wartime skill or critically short wartime spe-  
4           cialty, respectively; and

5           “(C) has not failed to complete satisfactorily  
6           any original term of enlistment in the armed forces.

7           “(3) For the purposes of this section, the Secretary  
8           concerned may designate a skill or specialty as a critically  
9           short wartime skill or critically short wartime specialty,  
10          respectively, for an armed force under the jurisdiction of  
11          the Secretary if the Secretary determines that—

12           “(A) the skill or specialty is critical to meet  
13           wartime requirements of the armed force; and

14           “(B) there is a critical shortage of personnel in  
15           that armed force who are qualified in that skill or  
16           specialty.”.

17          (b) REGULATIONS.—The Secretaries of the military  
18          departments shall prescribe the regulations necessary for  
19          administering section 308h of title 37, United States  
20          Code, as amended by this section, not later than the effec-  
21          tive date determined under subsection (c)(1).

22          (c) EFFECTIVE DATE.—This section and the amend-  
23          ments made by this section—



1 ical officer skills for the purposes of this section. The Sec-  
2 retary of Defense may so designate a skill for any one  
3 or more of the armed forces.

4 “(2) A skill may be designated as a critical officer  
5 skill for an armed force for the purposes of this section  
6 if—

7 “(A) in order to meet requirements of the  
8 armed force, it is critical for the armed force to have  
9 a sufficient number of officers who are qualified in  
10 that skill; and

11 “(B) in order to mitigate a current or projected  
12 significant shortage of personnel in the armed force  
13 who are qualified in that skill, it is critical to access  
14 into that armed force in sufficient numbers persons  
15 who are qualified in that skill or are to be trained  
16 in that skill.

17 “(c) AMOUNT OF BONUS.—The amount of a bonus  
18 paid with respect to a critical officer skill shall be deter-  
19 mined under regulations jointly prescribed by the Sec-  
20 retary of Defense and the Secretary of Transportation,  
21 but may not exceed \$20,000.

22 “(d) LIMITATION ON ELIGIBILITY FOR BONUS.—An  
23 individual may not be paid a bonus under subsection (a)  
24 if the individual has received, or is receiving, an accession

1 bonus for the same period of service under section 302d,  
2 302h, or 312b of this title.

3 “(e) PAYMENT METHOD.—Upon acceptance of a  
4 written agreement referred to in subsection (a) by the Sec-  
5 retary concerned, the total amount payable pursuant to  
6 the agreement under this section becomes fixed and may  
7 be paid by the Secretary in either a lump sum or install-  
8 ments.

9 “(f) REPAYMENT FOR FAILURE TO COMPLETE OBLI-  
10 GATED SERVICE.—(1) A person who, after having received  
11 all or part of the bonus under this section pursuant to  
12 an agreement referred to in subsection (a), fails to accept  
13 an appointment as a commissioned officer or to commence  
14 or complete the total period of active duty service in a  
15 designated critical officer skill as provided in the agree-  
16 ment shall refund to the United States the amount that  
17 bears the same ratio to the total amount of the bonus au-  
18 thorized for such person as the unserved part of the period  
19 of agreed active duty service in a designated critical officer  
20 skill bears to the total period of the agreed active duty  
21 service, but not more than the amount that was paid to  
22 the person.

23 “(2) Subject to paragraph (3), an obligation to reim-  
24 burse the United States imposed under paragraph (1) is  
25 for all purposes a debt owed to the United States.

1       “(3) The Secretary concerned may waive, in whole  
2 or in part, a refund required under paragraph (1) if the  
3 Secretary concerned determines that recovery would be  
4 against equity and good conscience or would be contrary  
5 to the best interests of the United States.

6       “(4) A discharge in bankruptcy under title 11 that  
7 is entered less than five years after the termination of a  
8 written agreement entered into under subsection (a) does  
9 not discharge the person signing the agreement from a  
10 debt arising under such agreement or under paragraph  
11 (1).

12       “(g) TERMINATION OF AUTHORITY.—No bonus may  
13 be paid under this section with respect to an agreement  
14 entered into after December 31, 2002.”.

15       (2) The table of sections at the beginning of such  
16 chapter is amended by inserting after the item relating  
17 to section 323 the following new item:

“324. Special pay: critical officer skills accession bonus.”.

18       (b) EFFECTIVE DATE.—Section 324 of title 37,  
19 United States Code (as added by subsection (a)), shall  
20 take effect on October 1, 2001.

1 **SEC. 620. MODIFICATION OF THE NURSE OFFICER CAN-**  
2 **DIDATE ACCESSION PROGRAM RESTRICTION**  
3 **ON STUDENTS ATTENDING CIVILIAN EDU-**  
4 **CATIONAL INSTITUTIONS WITH SENIOR RE-**  
5 **SERVE OFFICERS' TRAINING PROGRAMS.**

6 Section 2130a of title 10, United States Code, is  
7 amended—

8 (1) in subsection (a)(2), by striking “that does  
9 not have a Senior Reserve Officers’ Training Pro-  
10 gram established under section 2102 of this title”;  
11 and

12 (2) in subsection (b)(1), by striking “that does  
13 not have a Senior Reserve Officers’ Training Pro-  
14 gram established under section 2102 of this title”  
15 and inserting “and, in the case of a student so en-  
16 rolled at a civilian institution that has a Senior Re-  
17 serve Officers’ Training Program established under  
18 section 2102 of this title, is not eligible to partici-  
19 pate in the Senior Reserve Officers’ Training Pro-  
20 gram”.

1                   **Subtitle C—Travel and**  
2                   **Transportation Allowances**

3   **SEC. 631. ELIGIBILITY FOR TEMPORARY HOUSING ALLOW-**  
4                   **ANCE WHILE IN TRAVEL OR LEAVE STATUS**  
5                   **BETWEEN PERMANENT DUTY STATIONS.**

6           (a) PERSONNEL IN GRADES BELOW E-4.—Section  
7 403(i) of title 37, United States Code, is amended by  
8 striking “who is in a pay grade E-4 (4 or more years  
9 of service) or above”.

10          (b) EFFECTIVE DATE.—The amendment made by  
11 subsection (a) shall take effect on October 1, 2001.

12   **SEC. 632. ELIGIBILITY FOR PAYMENT OF SUBSISTENCE EX-**  
13                   **PENSES ASSOCIATED WITH OCCUPANCY OF**  
14                   **TEMPORARY LODGING INCIDENT TO RE-**  
15                   **PORTING TO FIRST PERMANENT DUTY STA-**  
16                   **TION.**

17          (a) OFFICER PERSONNEL.—Section 404a(a)(2)(C) of  
18 title 37, United States Code, is amended by striking “an  
19 enlisted member” and inserting “a member”.

20          (b) EFFECTIVE DATE.—The amendment made by  
21 subsection (a) shall take effect on October 1, 2001.

22   **SEC. 633. ELIGIBILITY FOR DISLOCATION ALLOWANCE.**

23          (a) MEMBERS WITH DEPENDENTS WHEN ORDERED  
24 TO FIRST DUTY STATION.—Section 407 of title 37,  
25 United States Code, is amended—

1           (1) in subsection (a)(2), by adding at the end  
2 the following new subparagraph:

3           “(F) A member whose dependents actually  
4 move from the member’s place of residence in con-  
5 nection with the performance of orders for the mem-  
6 ber to report to the member’s first permanent duty  
7 station if the move—

8                   “(i) is to the permanent duty station or a  
9 designated location; and

10                   “(ii) is an authorized move.”; and

11           (2) in subsection (e), by inserting “(except as  
12 provided in subsection (a)(2)(F))” after “first duty  
13 station”.

14           (b) MARRIED MEMBERS WITHOUT DEPENDENTS AS-  
15 SIGNED TO GOVERNMENT FAMILY QUARTERS.—Sub-  
16 section (a) of such section, as amended by subsection (a),  
17 is further amended—

18           (1) by adding at the end of paragraph (2) the  
19 following new subparagraph:

20           “(G) Each of two members married to each  
21 other who—

22                   “(i) is without dependents;

23                   “(ii) actually moves with the member’s  
24 spouse to a new permanent duty station; and



1 **“§ 407a. Travel and transportation: allowance for dis-**  
2 **location for the convenience of the Gov-**  
3 **ernment at home station**

4 “(a) **AUTHORITY.**—Under regulations prescribed by  
5 the Secretary concerned, a member of the uniformed serv-  
6 ices may be paid a dislocation allowance under this section  
7 when ordered, for the convenience of the Government and  
8 not pursuant to a permanent change of station, to occupy  
9 or to vacate family housing provided by the Department  
10 of Defense, or by the Department of Transportation in  
11 the case of the Coast Guard.

12 “(b) **AMOUNT.**—(1) Subject to paragraph (2), the  
13 amount of a dislocation allowance paid under this section  
14 is \$500.

15 “(2) Effective on the same date that the monthly  
16 rates of basic pay for members of the uniformed services  
17 are increased under section 1009 of this title or by a law  
18 increasing those rates by a percentage specified in the law,  
19 the amount of the dislocation allowance provided under  
20 this section shall be increased by the percentage by which  
21 the monthly rates of basic pay are so increased.

22 “(c) **ADVANCE PAYMENT.**—A dislocation allowance  
23 payable under this section may be paid in advance.”.

24 (2) The table of sections at the beginning of such  
25 chapter is amended by inserting after the item relating  
26 to section 407 the following new item:

“407a. Travel and transportation: allowance for dislocation for the convenience of the Government at home station.”.

1 (b) EFFECTIVE DATE.—Section 407a of title 37,  
2 United States Code, shall take effect on October 1, 2001.

3 **SEC. 635. TRAVEL AND TRANSPORTATION ALLOWANCES**  
4 **FOR FAMILY MEMBERS TO ATTEND THE BUR-**  
5 **IAL OF A DECEASED MEMBER OF THE UNI-**  
6 **FORMED SERVICES.**

7 (a) CONSOLIDATION OF AUTHORITIES.—Section 411f  
8 of title 37, United States Code, is amended—

9 (1) in subsection (a)—

10 (A) by inserting “ALLOWANCES AUTHOR-

11 IZED.—(1)” after “(a)”;

12 (B) by striking “the dependents of a mem-

13 ber” and inserting “eligible members of the

14 family of a member of the uniformed services”;

15 (C) by striking “such dependents” and in-

16 serting “such persons”; and

17 (D) by inserting at the end the following

18 new paragraph:

19 “(2) An attendant accompanying a person provided

20 travel and transportation allowances under this section for

21 travel to the burial ceremony for a deceased member may

22 also be provided under the uniform regulations round trip

23 travel and transportation allowances for travel to the bur-

24 ial ceremony if—

1           “(A) the accompanied person is unable to travel  
2 unattended because of age, physical condition, or  
3 other justifiable reason, as determined under the  
4 uniform regulations; and

5           “(B) there is no other eligible member of the  
6 family of the deceased member traveling to the bur-  
7 ial ceremony who is eligible for travel and transpor-  
8 tation allowances under this section and is qualified  
9 to serve as the attendant.”;

10           (2) in subsection (b)—

11           (A) in paragraph (1)—

12           (i) by striking “(1) Except as pro-  
13 vided in paragraph (2)” and inserting  
14 “LIMITATIONS.—(1) Except as provided in  
15 paragraphs (2) and (3)”;

16           (ii) by inserting before the period at  
17 the end the following: “and the time nec-  
18 essary for such travel”;

19           (B) in paragraph (2), by striking “be ex-  
20 tended to accommodate” and inserting “not ex-  
21 ceed the rates for 2 days and”;

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

24           “(3) If a deceased member is interred in a cemetery  
25 maintained by the American Battle Monuments Commis-

1 sion, the travel and transportation allowances authorized  
2 under this section may be provided to and from such ceme-  
3 tery and may not exceed the rates for 2 days and the time  
4 necessary for such travel.”; and

5 (3) by striking subsection (c) and inserting the  
6 following:

7 “(c) ELIGIBLE MEMBERS OF FAMILY.—The fol-  
8 lowing members of the family of a deceased member of  
9 the uniformed services are eligible for the travel and trans-  
10 portation allowances under this section:

11 “(1) The surviving spouse (including a remar-  
12 ried surviving spouse) of the deceased member.

13 “(2) The unmarried child or children of the de-  
14 ceased member referred to in section 401(a)(2) of  
15 this title.

16 “(3) If no person described in paragraphs (1)  
17 and (2) is provided travel and transportation allow-  
18 ances under this section, the parent or parents of  
19 the deceased member (as defined in section  
20 401(b)(2) of this title).

21 “(4) If no person described in paragraphs (1),  
22 (2), and (3) is provided travel and transportation al-  
23 lowances under this section, then—

24 “(A) the person who directs the disposition  
25 of the remains of the deceased member under

1 section 1482(c) of title 10, or, in the case of a  
2 deceased member whose remains are commin-  
3 gled and buried in a common grave in a na-  
4 tional cemetery, the person who would have  
5 been designated under such section to direct the  
6 disposition of the remains if individual identi-  
7 fication had been made; and

8 “(B) up to two additional persons closely  
9 related to the deceased member who are se-  
10 lected by the person referred to in subpara-  
11 graph (A).

12 “(d) DEFINITIONS.—In this section:

13 “(1) The term ‘burial ceremony’ includes the  
14 following:

15 “(A) An interment of casketed or cremated  
16 remains.

17 “(B) A placement of cremated remains in  
18 a columbarium.

19 “(C) A memorial service for which reim-  
20 bursement is authorized under section  
21 1482(d)(2) of title 10.

22 “(D) A burial of commingled remains that  
23 cannot be individually identified in a common  
24 grave in a national cemetery.

1           “(2) The term ‘member of the family’ includes  
2           a person described in section 1482(c)(4) of title 10  
3           who, except for this paragraph, would not otherwise  
4           be considered a family member.”.

5           (b) REPEAL OF SUPERSEDED LAWS.—(1) Section  
6           1482 of title 10, United States Code, is amended by strik-  
7           ing subsection (d) and redesignating subsections (e), (f),  
8           and (g) as subsections (d), (e), and (f), respectively.

9           (2) The Funeral Transportation and Living Expense  
10          Benefits Act of 1974 (Public Law 93–257; 88 Stat. 53;  
11          37 U.S.C. 406 note) is repealed.

12          (c) APPLICABILITY.—The amendments made by this  
13          Act shall apply with respect to deaths that occur on or  
14          after the later of—

15                 (1) October 1, 2001; or

16                 (2) the date of the enactment of this Act.

17          **SEC. 636. FAMILY SEPARATION ALLOWANCE FOR MEMBERS**  
18                                 **ELECTING UNACCOMPANIED TOUR BY REA-**  
19                                 **SON OF HEALTH LIMITATIONS OF DEPEND-**  
20                                 **ENTS.**

21          (a) ELIGIBILITY.—Section 427(c) of title 37, United  
22          States Code, is amended—

23                 (1) in the first sentence, by striking “A member  
24                 who elects” and inserting “(1) Except as provided in  
25                 paragraph (2), a member who elects”;



1 (A) by striking “attending” and inserting  
2 “enrolled in”; and

3 (B) by inserting before the comma at the  
4 end the following: “and is attending that school  
5 or is participating in a foreign study program  
6 approved by that school and, pursuant to that  
7 program, is attending a school outside the  
8 United States for a period of not more than one  
9 year”; and

10 (2) in subsection (b)—

11 (A) in the first sentence of paragraph (1),  
12 by striking “each unmarried dependent child,”  
13 and all that follows through “the school being  
14 attended” and inserting “each unmarried de-  
15 pendent child (described in subsection (a)(3)) of  
16 one annual trip between the school being at-  
17 tended by that child”; and

18 (B) by adding at the end the following new  
19 paragraph:

20 “(3) The transportation allowance paid under para-  
21 graph (1) for an annual trip of a dependent child de-  
22 scribed in subsection (a)(3) who is attending a school out-  
23 side the United States may not exceed the transportation  
24 allowance that would be paid under this section for the  
25 annual trip of that child between the child’s school in the

1 continental United States and the member's duty station  
2 outside the continental United States and return.”.

3 (b) EFFECTIVE DATE.—This section and the amend-  
4 ments made by this section shall take effect on October  
5 1, 2001, and shall apply with respect to travel that origi-  
6 nates outside the continental United States (as defined in  
7 section 430(f) of title 37, United States Code), on or after  
8 that date.

9 **SEC. 638. TRANSPORTATION OR STORAGE OF PRIVATELY**  
10 **OWNED VEHICLES ON CHANGE OF PERMA-**  
11 **NENT STATION.**

12 (a) ADVANCE PAYMENT OF STORAGE COSTS.—Sec-  
13 tion 2634(b) of title 10, United States Code, is amended  
14 by adding at the end the following new paragraph:

15 “(4) Storage costs payable under this subsection may  
16 be paid in advance.”.

17 (b) SHIPMENT IN PERMANENT CHANGE OF STATION  
18 WITHIN CONUS.—Subsection (h)(1) of such section is  
19 amended—

20 (1) by striking “includes” in the second sen-  
21 tence and all that follows and inserting “includes the  
22 following:”; and

23 (2) by adding at the end the following subpara-  
24 graphs:

1           “(A) An authorized change in home port of  
2 a vessel.

3           “(B) A transfer or assignment between  
4 two permanent stations in the continental  
5 United States when—

6                   “(i) the member cannot, because of  
7 injury or the conditions of the order, drive  
8 the motor vehicle between the permanent  
9 duty stations; or

10                   “(ii) the Secretary concerned deter-  
11 mines that it is advantageous and cost-ef-  
12 fective to the Government for one motor  
13 vehicle of the member to be transported  
14 between the permanent duty stations.”.

15       (c) EFFECTIVE DATE.—This section and the amend-  
16 ments made by this section shall take effect on October  
17 1, 2001.

18       **Subtitle D—Matters Relating to**  
19       **Retirement and Survivor Benefits**

20       **SEC. 651. PAYMENT OF RETIRED PAY AND COMPENSATION**  
21                   **TO DISABLED MILITARY RETIREES.**

22       (a) RESTORATION OF RETIRED PAY BENEFITS.—  
23 Chapter 71 of title 10, United States Code, is amended  
24 by adding at the end the following new section:

1 **“§ 1414. Members eligible for retired pay who have**  
2 **service-connected disabilities: payment of**  
3 **retired pay and veterans’ disability com-**  
4 **ensation**

5 “(a) PAYMENT OF BOTH RETIRED PAY AND COM-  
6 PENSATION.—Except as provided in subsection (b), a  
7 member or former member of the uniformed services who  
8 is entitled to retired pay (other than as specified in sub-  
9 section (c)) and who is also entitled to veterans’ disability  
10 compensation is entitled to be paid both without regard  
11 to sections 5304 and 5305 of title 38.

12 “(b) SPECIAL RULE FOR CHAPTER 61 CAREER RE-  
13 TIREES.—The retired pay of a member retired under  
14 chapter 61 of this title with 20 years or more of service  
15 otherwise creditable under section 1405 of this title at the  
16 time of the member’s retirement is subject to reduction  
17 under sections 5304 and 5305 of title 38, but only to the  
18 extent that the amount of the member’s retired pay under  
19 chapter 61 of this title exceeds the amount of retired pay  
20 to which the member would have been entitled under any  
21 other provision of law based upon the member’s service  
22 in the uniformed services if the member had not been re-  
23 tired under chapter 61 of this title.

24 “(c) EXCEPTION.—Subsection (a) does not apply to  
25 a member retired under chapter 61 of this title with less

1 than 20 years of service otherwise creditable under section  
2 1405 of this title at the time of the member's retirement.

3 “(d) DEFINITIONS.—In this section:

4 “(1) The term ‘retired pay’ includes retainer  
5 pay, emergency officers’ retirement pay, and naval  
6 pension.

7 “(2) The term ‘veterans’ disability compensa-  
8 tion’ has the meaning given the term ‘compensation’  
9 in section 101(13) of title 38.”.

10 (b) REPEAL OF SPECIAL COMPENSATION PRO-  
11 GRAM.—Section 1413 of such title is repealed.

12 (c) CLERICAL AMENDMENTS.—The table of sections  
13 at the beginning of such chapter is amended—

14 (1) by striking the item relating to section  
15 1413; and

16 (2) by adding at the end the following new  
17 item:

“1414. Members eligible for retired pay who have service-connected disabilities:  
payment of retired pay and veterans’ disability compensation.”.

18 (d) EFFECTIVE DATE.—(1) The amendments made  
19 by this section shall take effect on the later of—

20 (A) the first day of the first month that begins  
21 after the date of the enactment of qualifying offset-  
22 ting legislation as described in subsection (e); or

23 (B) October 1, 2002.

1           (2) No benefits may be paid to any person by reason  
2 of section 1414 of title 10, United States Code, as added  
3 by the amendment made by subsection (a), for any period  
4 before the effective date under paragraph (1).

5           (e) EFFECTIVENESS CONTINGENT ON OFFSETTING  
6 LEGISLATION.—(1) The amendments made by this section  
7 shall be effective only if—

8                   (A) the President, in the budget for fiscal year  
9           2003 that is submitted to Congress under section  
10           1105(a) of title 31, United States Code, proposes  
11           legislation which, if enacted, would be qualifying off-  
12           setting legislation; and

13                   (B) there is enacted during the second session  
14           of the One Hundred Seventh Congress qualifying  
15           offsetting legislation.

16           (2) In this section:

17                   (A) The term “qualifying offsetting legislation”  
18           means legislation (other than an appropriations Act)  
19           that includes provisions that—

20                           (i) offset fully the increased outlays for  
21                           each of fiscal years 2003 through 2012 to be  
22                           made by reason of the amendments made by  
23                           this section;

1 (ii) expressly state that they are enacted  
 2 for the purpose of the offset described in clause  
 3 (i); and

4 (iii) are included in full on the PayGo  
 5 scorecard.

6 (B) The term “PayGo scorecard” means the es-  
 7 timates that are made with respect to fiscal years  
 8 through fiscal year 2012 by the Director of the Con-  
 9 gressional Budget Office and the Director of the Of-  
 10 fice of Management and Budget under section  
 11 252(d) of the Balanced Budget and Emergency Def-  
 12 icit Control Act of 1985.

## 13 **Subtitle E—Other Matters**

### 14 **SEC. 661. EDUCATION SAVINGS PLAN FOR REENLISTMENTS** 15 **AND EXTENSIONS OF SERVICE IN CRITICAL** 16 **SPECIALTIES.**

17 (a) ESTABLISHMENT OF SAVINGS PLAN.—(1) Chap-  
 18 ter 5 of title 37, United States Code, is amended by add-  
 19 ing at the end the following new section:

#### 20 **“§ 324. Incentive bonus: savings plan for education** 21 **expenses and other contingencies**

22 “(a) BENEFIT AND ELIGIBILITY.—The Secretary  
 23 concerned may purchase United States savings bonds  
 24 under this section for a member of the armed forces who  
 25 is eligible as follows:

1           “(1) A member who, before completing three  
2           years of service on active duty, enters into a commit-  
3           ment to perform qualifying service.

4           “(2) A member who, after completing three  
5           years of service on active duty but not more than  
6           nine years of service on active duty, enters into a  
7           commitment to perform qualifying service.

8           “(3) A member who, after completing nine  
9           years of service on active duty, enters into a commit-  
10          ment to perform qualifying service.

11          “(b) QUALIFYING SERVICE.—For the purposes of  
12          this section, qualifying service is service on active duty in  
13          a specialty designated by the Secretary concerned as crit-  
14          ical to meet requirements (whether or not such specialty  
15          is designated as critical to meet wartime or peacetime re-  
16          quirements) for a period that—

17                 “(1) is not less than six years; and

18                 “(2) does not include any part of a period for  
19                 which the member is obligated to serve on active  
20                 duty under an enlistment or other agreement for  
21                 which a benefit has previously been paid under this  
22                 section.

23          “(c) FORMS OF COMMITMENT TO ADDITIONAL SERV-  
24          ICE.—For the purposes of this section, a commitment  
25          means—

1           “(1) in the case of an enlisted member, a reen-  
2 listment; and

3           “(2) in the case of a commissioned officer, an  
4 agreement entered into with the Secretary con-  
5 cerned.

6           “(d) AMOUNTS OF BONDS.—The total of the face  
7 amounts of the United States savings bonds authorized  
8 to be purchased for a member under this section for a  
9 commitment shall be as follows:

10           “(1) In the case of a purchase for a member  
11 under paragraph (1) of subsection (a), \$5,000.

12           “(2) In the case of a purchase for a member  
13 under paragraph (2) of subsection (a), the amount  
14 equal to the excess of \$15,000 over the total of the  
15 face amounts of any United States savings bonds  
16 previously purchased for the member under this sec-  
17 tion.

18           “(3) In the case of a purchase for a member  
19 under paragraph (3) of subsection (a), the amount  
20 equal to the excess of \$30,000 over the total of the  
21 face amounts of any United States savings bonds  
22 previously purchased for the member under this sec-  
23 tion.

24           “(e) TOTAL AMOUNT OF BENEFIT.—The total  
25 amount of the benefit authorized for a member when

1 United States savings bonds are purchased for the mem-  
2 ber under this section by reason of a commitment by that  
3 member shall be the sum of—

4 “(1) the purchase price of the United States  
5 savings bonds; and

6 “(2) the amounts that would be deducted and  
7 withheld for the payment of individual income taxes  
8 if the total amount computed under this subsection  
9 for that commitment were paid to the member as a  
10 bonus.

11 “(f) AMOUNT WITHHELD FOR TAXES.—The total  
12 amount payable for a member under subsection (e)(2) for  
13 a commitment by that member shall be withheld, credited,  
14 and otherwise treated in the same manner as amounts de-  
15 ducted and withheld from the basic pay of the member.

16 “(g) REPAYMENT FOR FAILURE TO COMPLETE OB-  
17 LIGATED SERVICE.—(1) If a person fails to complete the  
18 qualifying service for which the person is obligated under  
19 a commitment for which a benefit has been paid under  
20 this section, the person shall refund to the United States  
21 the amount that bears the same ratio to the total amount  
22 paid for the person (as computed under subsection (e))  
23 for that particular commitment as the uncompleted part  
24 of the period of qualifying service bears to the total period  
25 of the qualifying service for which obligated.

1       “(2) Subject to paragraph (3), an obligation to reim-  
2       burse the United States imposed under paragraph (1) is  
3       for all purposes a debt owed to the United States.

4       “(3) The Secretary concerned may waive, in whole  
5       or in part, a refund required under paragraph (1) if the  
6       Secretary concerned determines that recovery would be  
7       against equity and good conscience or would be contrary  
8       to the best interests of the United States.

9       “(4) A discharge in bankruptcy under title 11 that  
10      is entered less than five years after the termination of an  
11      enlistment or other agreement under this section does not  
12      discharge the person signing such reenlistment or other  
13      agreement from a debt arising under the reenlistment or  
14      agreement, respectively, or this subsection.

15      “(h) RELATIONSHIP TO OTHER SPECIAL PAYS.—The  
16      benefit authorized under this section is in addition to any  
17      other bonus or incentive or special pay that is paid or pay-  
18      able to a member under any other provision of this chapter  
19      for any portion of the same qualifying service.

20      “(i) REGULATIONS.—This section shall be adminis-  
21      tered under regulations prescribed by the Secretary of De-  
22      fense for the armed forces under his jurisdiction and by  
23      the Secretary of Transportation for the Coast Guard when  
24      the Coast Guard is not operating as a service in the  
25      Navy.”.

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

“324. Incentive bonus: savings plan for education and other contingencies.”.

4           (b) **EFFECTIVE DATE.**—Section 324 of title 37,  
5 United States Code (as added by subsection (a)), shall  
6 take effect on October 1, 2001, and shall apply with re-  
7 spect to reenlistments and other agreements for qualifying  
8 service (described in that section) that are entered into  
9 on or after that date.

10          (c) **FUNDING FOR FISCAL YEAR 2002.**—Of the  
11 amount authorized to be appropriated to the Department  
12 of Defense for military personnel for fiscal year 2002 by  
13 section 421, \$20,000,000 may be available in that fiscal  
14 year for the purchase of United States savings bonds  
15 under section 324 of title 37, United States Code (as  
16 added by subsection (a)).

17 **SEC. 662. COMMISSARY BENEFITS FOR NEW MEMBERS OF**  
18 **THE READY RESERVE.**

19          (a) **ELIGIBILITY.**—Section 1063 of title 10, United  
20 States Code, is amended—

21               (1) by redesignating subsections (b) and (c) as  
22 subsections (c) and (d), respectively; and

23               (2) by inserting after subsection (a) the fol-  
24 lowing new subsection (b):

1       “(b) ELIGIBILITY OF NEW MEMBERS.—(1) The Sec-  
2 retary concerned shall authorize a new member of the  
3 Ready Reserve to use commissary stores of the Depart-  
4 ment of Defense for a number of days accruing at the  
5 rate of two days for each month in which the member par-  
6 ticipates satisfactorily in training required under section  
7 10147(a)(1) of this title or section 502(a) of title 32, as  
8 the case may be.

9       “(2) For the purposes of paragraph (1), a person  
10 shall be considered a new member of the Ready Reserve  
11 upon becoming a member and continuing without a break  
12 in the membership until the earlier of—

13               “(A) the date on which the member becomes el-  
14 igible to use commissary stores under subsection (a);  
15 or

16               “(B) December 31 of the first calendar year in  
17 which the membership has been continuous for the  
18 entire year.

19       “(3) A new member may not be authorized under this  
20 subsection to use commissary stores for more than 24 days  
21 for any calendar year.”.

22       (b) REQUIRED DOCUMENTATION.—Subsection (d) of  
23 such section, as redesignated by subsection (a)(1), is  
24 amended by adding at the end the following: “The regula-  
25 tions shall specify the required documentation of satisfac-

1 tory participation in training for the purposes of sub-  
2 section (b).”.

3 (c) CONFORMING AMENDMENT.—Subsection (c) of  
4 such section, as redesignated by subsection (a)(1), is  
5 amended by striking “Subsection (a)” and inserting “Sub-  
6 sections (a) and (b)”.

7 (d) CLERICAL AMENDMENTS.—(1) The heading for  
8 such section is amended to read as follows:

9 **“§ 1063. Use of commissary stores: members of Ready**  
10 **Reserve”.**

11 (2) Subsection (a) of such section is amended by  
12 striking “OF READY RESERVE” and inserting “WITH 50  
13 OR MORE CREDITABLE POINTS”.

14 (3) The item relating to such section in the table of  
15 sections at the beginning of chapter 54 of title 10, United  
16 States Code, is amended to read as follows:

“1063. Use of commissary stores: members of Ready Reserve.”.

17 **SEC. 663. AUTHORIZATION OF TRANSITIONAL COMPENSA-**  
18 **TION AND COMMISSARY AND EXCHANGE BEN-**  
19 **EFITS FOR DEPENDENTS OF COMMISSIONED**  
20 **OFFICERS OF THE PUBLIC HEALTH SERVICE**  
21 **AND THE NATIONAL OCEANIC AND ATMOS-**  
22 **PHERIC ADMINISTRATION WHO ARE SEPA-**  
23 **RATED FOR DEPENDENT ABUSE.**

24 (a) COMMISSIONED OFFICERS OF THE PUBLIC  
25 HEALTH SERVICE.—Section 221(a) of the Public Health

1 Service Act (42 U.S.C. 213a(a)) is amended by adding  
 2 at the end the following new paragraph:

3 “(17) Section 1059, Transitional compensation  
 4 and commissary and exchange benefits for depend-  
 5 ents of members separated for dependent abuse.”.

6 (b) COMMISSIONED OFFICERS OF THE NATIONAL  
 7 OCEANIC AND ATMOSPHERIC ADMINISTRATION.—Section  
 8 3(a) of the Act entitled “An Act to revise, codify, and  
 9 enact into law, title 10 of the United States Code, entitled  
 10 ‘Armed Forces’, and title 32 of the United States Code,  
 11 entitled ‘National Guard’”, approved August 10, 1956 (33  
 12 U.S.C. 857a(a)), is amended by adding at the end the fol-  
 13 lowing new paragraph:

14 “(17) Section 1059, Transitional compensation  
 15 and commissary and exchange benefits for depend-  
 16 ents of members separated for dependent abuse.”.

17 **TITLE VII—HEALTH CARE**  
 18 **Subtitle A—TRICARE Benefits**  
 19 **Modernization**

20 **SEC. 701. REQUIREMENT FOR INTEGRATION OF BENEFITS.**

21 (a) IN GENERAL.—The Secretary of Defense shall—

22 (1) terminate the Individual Case Management  
 23 Program carried out under section 1079(a)(17) of  
 24 title 10, United States Code (as in effect on Sep-  
 25 tember 30, 2001); and

1           (2) integrate the beneficiaries under that pro-  
2           gram, and the furnishing of care to those bene-  
3           ficiaries, into the TRICARE program as modified  
4           pursuant to the amendments made by this subtitle.

5           (b) REPEAL OF SEPARATE AUTHORITY.—Section  
6 1079 of title 10, United States Code, is amended by strik-  
7 ing paragraph (17).

8           (c) SAVINGS PROVISION.—Nothing in this subtitle or  
9 the amendments made by this subtitle shall be  
10 construed—

11           (1) to modify any eligibility requirement for any  
12           person receiving benefits under the Individual Case  
13           Management Program before October 1, 2001; or

14           (2) to terminate any benefits available under  
15           that program before that date.

16           (d) CONSULTATION REQUIREMENT.—The Secretary  
17 of Defense shall consult with the other administering Sec-  
18 retaries referred to in section 1072(3) of title 10, United  
19 States Code, in carrying out this section.

20 **SEC. 702. DOMICILIARY AND CUSTODIAL CARE.**

21           Section 1072 of title 10, United States Code, is  
22 amended by adding at the end the following new para-  
23 graphs:

24           “(8) The term ‘domiciliary care’ means treat-  
25           ment or services involving assistance with the per-

1 performance of activities of daily living that is provided  
2 to a patient in a home-like setting because—

3 “(A) the treatment or services are not  
4 available, or are not suitable to be provided, to  
5 the patient in the patient’s home; or

6 “(B) no member of the patient’s family is  
7 willing to provide the treatment or services.

8 “(9) The term ‘custodial care’—

9 “(A) means treatment or services that—

10 “(i) could be provided safely and rea-  
11 sonably by a person not trained as a physi-  
12 cian, nurse, paramedic, or other health  
13 care provider; or

14 “(ii) are provided principally to assist  
15 the recipient of the treatment or services  
16 with the performance of activities of daily  
17 living; and

18 “(B) includes any treatment or service de-  
19 scribed in subparagraph (A) without regard  
20 to—

21 “(i) the source of any recommenda-  
22 tion to provide the treatment or service;  
23 and

24 “(ii) the setting in which the treat-  
25 ment or service is provided.”.

1 **SEC. 703. LONG TERM CARE.**

2 (a) LIMITATION.—Chapter 55 of title 10, United  
3 States Code, is amended by inserting after section 1074i  
4 the following new section:

5 **“§ 1074j. Long term care benefits program**

6 “(a) REQUIREMENT FOR PROGRAM.—The Secretary  
7 of Defense shall provide long term health care benefits  
8 under the TRICARE program in an effective and efficient  
9 manner that integrates those benefits with the benefits  
10 provided on a less than a long term basis under the  
11 TRICARE program.

12 “(b) AUTHORIZED CARE.—The types of health care  
13 authorized to be provided under this section shall include  
14 the following:

15 “(1) The types of health care authorized to be  
16 acquired by contract under section 1079 of this title.

17 “(2) Extended care services.

18 “(3) Post-hospital extended care services.

19 “(4) Comprehensive intermittent home health  
20 services.

21 “(c) DURATION OF POST-HOSPITAL EXTENDED  
22 CARE SERVICES.—The post-hospital extended care serv-  
23 ices provided in a skilled nursing facility to a patient dur-  
24 ing a spell of illness under subsection (b)(3) shall continue  
25 for as long as is medically necessary and appropriate. The  
26 limitation on the number of days of coverage under sub-

1 sections (a)(2) and (b)(2)(A) of section 1812 of the Social  
2 Security Act (42 U.S.C. 1395d) shall not apply with re-  
3 spect to the care provided that patient.

4 “(d) REGULATIONS.—The Secretary of Defense shall,  
5 after consultation with the other administering Secre-  
6 taries, prescribe regulations to carry out this section.

7 “(e) DEFINITIONS.—In this section:

8 “(1) The term ‘extended care services’ has the  
9 meaning given the term in subsection (h) of section  
10 1861 of the Social Security Act (42 U.S.C. 1395x).

11 “(2) The term ‘post-hospital extended services’  
12 has the meaning given the term in subsection (i) of  
13 section 1861 of the Social Security Act (42 U.S.C.  
14 1395x).

15 “(3) The term ‘home health services’ has the  
16 meaning given the term in subsection (m) of section  
17 1861 of the Social Security Act (42 U.S.C. 1395x).

18 “(4) The term ‘skilled nursing facility’ has the  
19 meaning given the term in section 1819(a) of the  
20 Social Security Act (42 U.S.C. 1395i–3(a)).

21 “(5) The term ‘spell of illness’ has the meaning  
22 given the term in subsection (a) of section 1861 of  
23 the Social Security Act (42 U.S.C. 1395x).”.

24 (b) CLERICAL AMENDMENT.—The table of sections  
25 at the beginning of such chapter is amended by inserting

1 after the item relating to section 1074i the following new  
2 item:

“1074j. Long term care benefits program.”.

3 **SEC. 704. EXTENDED BENEFITS FOR DISABLED BENE-**  
4 **FICIARIES.**

5 Section 1079 of title 10, United States Code, is  
6 amended by striking subsections (d), (e), and (f) and in-  
7 serting the following:

8 “(d)(1) The health care benefits contracted for under  
9 this section shall include extended benefits for dependents  
10 referred to in the first sentence of subsection (a) who have  
11 any of the following qualifying conditions:

12 “(A) Moderate or severe mental retardation.

13 “(B) A serious physical disability.

14 “(C) Any extraordinary physical or psycho-  
15 logical condition.

16 “(2) The extended benefits under paragraph (1) may  
17 include comprehensive health care and case management  
18 services, to the extent not otherwise provided under this  
19 chapter with respect to a qualifying condition, as follows:

20 “(A) Diagnosis.

21 “(B) Inpatient, outpatient, and comprehensive  
22 home health supplies and services.

23 “(C) Training and rehabilitation, including spe-  
24 cial education and assistive technology devices.

1           “(D) Institutional care in private nonprofit,  
2           public, and State institutions and facilities and,  
3           when appropriate, transportation to and from such  
4           institutions and facilities.

5           “(E) Any other services and supplies deter-  
6           mined appropriate under regulations prescribed  
7           under paragraph (9).

8           “(3) The extended benefits under paragraph (1) may  
9           also include respite care for the primary caregiver of a  
10          dependent eligible for extended benefits under this sub-  
11          section.

12          “(4) Home health supplies and services may be pro-  
13          vided to a dependent under paragraph (2)(B) as other  
14          than part-time or intermittent services (as determined in  
15          accordance with the second sentence of section 1861(m)  
16          of the Social Security Act (42 U.S.C. 1395x(m)) only if—

17                 “(A) the provision of such supplies and services  
18                 in the home of the dependent is medically appro-  
19                 priate; and

20                 “(B) the cost of the provision of such supplies  
21                 and services to the dependent is equal to or less  
22                 than the cost of the provision of similar supplies and  
23                 services to the dependent in a skilled nursing facil-  
24                 ity.

1       “(5) Subsection (a)(13) shall not apply to the provi-  
2 sion of care and services determined appropriate to be pro-  
3 vided as extended benefits under this subsection.

4       “(6) Subject to paragraph (7), a member of the uni-  
5 formed services shall pay a share of the cost of any care  
6 and services provided as extended benefits to any of the  
7 dependents of the member under this subsection as fol-  
8 lows:

9               “(A) In the case of a member in the lowest en-  
10 listed pay grade, the first \$25 of the cumulative  
11 costs of all care furnished to one or more dependents  
12 of the member in a month.

13               “(B) In the case of a member in the highest  
14 commissioned pay grade, the first \$250 of the cumu-  
15 lative costs of all care furnished to one or more de-  
16 pendents of the member in a month.

17               “(C) In the case of a member in any other pay  
18 grade, a fixed amount of the cumulative costs of all  
19 care furnished to one or more dependents of the  
20 member in a month, as prescribed for that pay  
21 grade in regulations prescribed under paragraph (9).

22       “(7)(A) In the case of extended benefits provided  
23 under subparagraph (C) or (D) of paragraph (2) to a de-  
24 pendent of a member of the uniformed services—

1           “(i) the Government’s share of the total cost of  
2           providing such benefits in any month shall not ex-  
3           ceed \$2,500, except for costs that a member is ex-  
4           empt from paying under subparagraph (B); and

5           “(ii) the member shall pay (in addition to any  
6           amount payable under paragraph (6)) the amount, if  
7           any, by which the amount of such total cost for the  
8           month exceeds the Government’s maximum share  
9           under clause (i).

10          “(B) A member of the uniformed services who incurs  
11         expenses under subparagraph (A) for a month for more  
12         than one dependent shall not be required to pay for the  
13         month under clause (ii) of that subparagraph an amount  
14         greater than the amount the member would otherwise be  
15         required to pay under that clause for the month if the  
16         member were incurring expenses under that subparagraph  
17         for only one dependent.

18          “(8) To qualify for extended benefits under subpara-  
19         graph (C) or (D) of paragraph (2), a dependent of a mem-  
20         ber of the uniformed services shall be required to use pub-  
21         lic facilities to the extent such facilities are available and  
22         adequate, as determined under joint regulations of the ad-  
23         ministering Secretaries.

1 “(9) The Secretary of Defense, in consultation with  
2 the other administering Secretaries, shall prescribe regula-  
3 tions to carry out this subsection.”.

4 **SEC. 705. CONFORMING REPEALS.**

5 The following provisions of law are repealed:

6 (1) Section 703 of the National Defense Au-  
7 thorization Act for Fiscal Year 2000 (Public Law  
8 106–65; 113 Stat. 682; 10 U.S.C. 1077 note).

9 (2) Section 8118 of the Department of Defense  
10 Appropriations Act, 2000 (Public Law 106–79; 113  
11 Stat. 1260).

12 (3) Section 8100 of the Department of Defense  
13 Appropriations Act, 2001 (Public Law 106–259;  
14 114 Stat. 696).

15 **SEC. 706. EFFECTIVE DATE.**

16 This subtitle and the amendments made by this sub-  
17 title shall take effect on October 1, 2001.

18 **Subtitle B—Other Matters**

19 **SEC. 711. REPEAL OF REQUIREMENT FOR PERIODIC**  
20 **SCREENINGS AND EXAMINATIONS AND RE-**  
21 **LATED CARE FOR MEMBERS OF ARMY RE-**  
22 **SERVE UNITS SCHEDULED FOR EARLY DE-**  
23 **PLOYMENT.**

24 Section 1074a of title 10, United States Code, is  
25 amended—

1 (1) by striking subsection (d); and

2 (2) by redesignating subsection (e) as sub-  
3 section (d).

4 **SEC. 712. CLARIFICATION OF ELIGIBILITY FOR REIM-**  
5 **BURSEMENT OF TRAVEL EXPENSES OF**  
6 **ADULT ACCOMPANYING PATIENT IN TRAVEL**  
7 **FOR SPECIALTY CARE.**

8 Section 1074i of title 10, United States Code, is  
9 amended by inserting before the period at the end the fol-  
10 lowing: “and, when accompaniment by an adult is nec-  
11 essary, for a parent or guardian of the covered beneficiary  
12 or another member of the covered beneficiary’s family who  
13 is at least 21 years of age”.

14 **SEC. 713. TRICARE PROGRAM LIMITATIONS ON PAYMENT**  
15 **RATES FOR INSTITUTIONAL HEALTH CARE**  
16 **PROVIDERS AND ON BALANCE BILLING BY**  
17 **INSTITUTIONAL AND NONINSTITUTIONAL**  
18 **HEALTH CARE PROVIDERS.**

19 (a) INSTITUTIONAL PROVIDERS.—Section 1079(j) of  
20 title 10, United States Code, is amended—

21 (1) in paragraph (2)(A)—

22 (A) by striking “(A)”; and

23 (B) by striking “may be determined under  
24 joint regulations” and inserting “shall be deter-  
25 mined under joint regulations”;

1           (2) by redesignating subparagraph (B) of para-  
2           graph (2) as paragraph (4), and, in such paragraph,  
3           as so redesignated, by striking “subparagraph (A),”  
4           and inserting “this subsection,”; and

5           (3) by inserting before paragraph (4), as redesi-  
6           gnated by paragraph (2), the following new para-  
7           graph (3):

8           “(3) A contract for a plan covered by this section  
9           shall include a clause that prohibits each provider of serv-  
10          ices under the plan from billing any person covered by the  
11          plan for any balance of charges for services in excess of  
12          the amount paid for those services under the joint regula-  
13          tions referred to in paragraph (2), except for any unpaid  
14          amounts of deductibles or copayments that are payable di-  
15          rectly to the provider by the person.”.

16          (b)     NONINSTITUTIONAL     PROVIDERS.—Section  
17          1079(h)(4) of such title is amended—

18                 (1) by inserting “(A)” after “(4)”; and

19                 (B) by adding at the end the following new  
20                 subparagraph:

21                 “(B) The regulations shall include a restriction that  
22                 prohibits an individual health care professional (or other  
23                 noninstitutional health care provider) from billing a bene-  
24                 ficiary for services for more than the amount that is equal  
25                 to—



1           (1) by striking “REPORTS.—” and inserting  
2           “REPORT.—”; and

3           (2) by striking “March 15, 2002” and inserting  
4           “March 15, 2004”.

5 **SEC. 715. STUDY OF HEALTH CARE COVERAGE OF MEM-**  
6 **BERS OF THE SELECTED RESERVE.**

7           (a) REQUIREMENT FOR STUDY.—The Comptroller  
8 General shall carry out a study of the needs of members  
9 of the Selected Reserve of the Ready Reserve of the Armed  
10 Forces and their families for health care benefits.

11          (b) REPORT.—Not later than March 1, 2002, the  
12 Comptroller General shall submit to Congress a report on  
13 the study under subsection (a). The report shall include  
14 the following matters:

15           (1) An analysis of how members of the Selected  
16 Reserve currently obtain coverage for health care  
17 benefits when not on active duty, together with sta-  
18 tistics on enrollments in health care benefits plans,  
19 including—

20           (A) the percentage of members of the Se-  
21 lected Reserve who are not covered by an em-  
22 ployer health benefits plan;

23           (B) the percentage of members of the Se-  
24 lected Reserve who are not covered by an indi-  
25 vidual health benefits plan; and

1 (C) the percentage of members of the Se-  
2 lected Reserve who are not covered by any  
3 health insurance or other health benefits plan.

4 (2) An assessment of the disruptions in health  
5 benefits coverage that a mobilization of members of  
6 the Selected Reserve has caused for the members  
7 and their families.

8 (3) An assessment of the cost and effectiveness  
9 of various options for preventing or reducing disrup-  
10 tions described in paragraph (2), including—

11 (A) providing health care benefits to all  
12 members of the Selected Reserve and their fam-  
13 ilies through TRICARE, the Federal Employees  
14 Health Benefits Program, or otherwise;

15 (B) revising and extending the program of  
16 transitional medical and dental care that is pro-  
17 vided under section 1074b of title 10, United  
18 States Code, for members of the Armed Forces  
19 upon release from active duty served in support  
20 of a contingency operation;

21 (C) requiring the health benefits plans of  
22 members of the Selected Reserve, including in-  
23 dividual health benefits plans and group health  
24 benefits plans, to permit members of the Se-  
25 lected Reserve to elect to resume coverage

1 under such health benefits plans upon release  
2 from active duty in support of a contingency  
3 operation;

4 (D) providing financial assistance for pay-  
5 ing premiums or other subscription charges for  
6 continuation of coverage by private sector  
7 health insurance or other health benefits plans;  
8 and

9 (E) any other options that the Comptroller  
10 General determines advisable to consider.

11 **SEC. 716. STUDY OF ADEQUACY AND QUALITY OF HEALTH**  
12 **CARE PROVIDED TO WOMEN UNDER THE DE-**  
13 **FENSE HEALTH PROGRAM.**

14 (a) **REQUIREMENT FOR STUDY.**—The Comptroller  
15 General shall carry out a study of the adequacy and qual-  
16 ity of the health care provided to women under chapter  
17 55 of title 10, United States Code.

18 (b) **SPECIFIC CONSIDERATION.**—The study shall in-  
19 clude an intensive review of the availability and quality  
20 of reproductive health care services.

21 (c) **REPORT.**—The Comptroller General shall submit  
22 a report on the results of the study to Congress not later  
23 than April 1, 2002.

1 **SEC. 717. PILOT PROGRAM FOR DEPARTMENT OF VET-**  
2 **ERANS AFFAIRS SUPPORT FOR DEPARTMENT**  
3 **OF DEFENSE IN THE PERFORMANCE OF SEP-**  
4 **ARATION PHYSICAL EXAMINATIONS.**

5 (a) **AUTHORITY.**—The Secretary of Defense and the  
6 Secretary of Veterans Affairs may jointly carry out a pilot  
7 program for the performance of the physical examinations  
8 required in connection with the separation of members of  
9 the uniformed services. The requirements of this section  
10 shall apply to a pilot program, if any, that is carried out  
11 under the authority of this subsection.

12 (b) **PERFORMANCE OF PHYSICAL EXAMINATIONS BY**  
13 **DEPARTMENT OF VETERANS AFFAIRS.**—Under the pilot  
14 program, the Secretary of Veterans Affairs shall perform  
15 the physical examinations of members of the uniformed  
16 services separating from the uniformed services who are  
17 in one or more geographic areas designated for the pilot  
18 program by the Secretaries.

19 (c) **REIMBURSEMENT.**—The Secretary of Defense  
20 shall provide for reimbursing the Secretary of Veterans  
21 Affairs for the cost incurred by the Secretary of Veterans  
22 Affairs in performing, under the pilot program, the items  
23 of physical examination that are required by the Secretary  
24 concerned in connection with the separation of a member  
25 of a uniformed service. Reimbursements shall be paid out  
26 of funds available for the performance of separation phys-

1 ical examinations of members of that uniformed service  
2 in facilities of the uniformed services.

3 (d) AGREEMENT.—(1) The Secretary of Defense and  
4 the Secretary of Veterans Affairs shall enter into an agree-  
5 ment for carrying out a pilot program established under  
6 this section. The agreement shall specify the geographic  
7 area in which the pilot program is carried out and the  
8 means for making reimbursement payments.

9 (2) The other administering Secretaries shall also  
10 enter into the agreement to the extent that the Secretary  
11 of Defense determines necessary to apply the pilot pro-  
12 gram, including the requirement for reimbursement, to the  
13 uniformed services not under the jurisdiction of the Sec-  
14 retary of a military department.

15 (e) CONSULTATION REQUIREMENT.—In developing  
16 and carrying out the pilot program, the Secretary of De-  
17 fense shall consult with the other administering Secre-  
18 taries.

19 (f) PERIOD OF PROGRAM.—Any pilot program estab-  
20 lished under this section shall begin not later than July  
21 1, 2002, and terminate on December 31, 2005.

22 (g) REPORTS.—(1) Not later than January 31, 2004,  
23 the Secretary of Defense and the Secretary of Veterans  
24 Affairs shall jointly submit to Congress an interim report  
25 on the conduct of the pilot program.

1 (2) Not later than March 1, 2005, the Secretary of  
 2 Defense and the Secretary of Veterans Affairs shall jointly  
 3 submit to Congress a final report on the conduct of the  
 4 pilot program.

5 (3) Each report under this subsection shall include  
 6 the Secretaries' assessment, as of the date of such report,  
 7 of the efficacy of the performance of separation physical  
 8 examinations as provided for under the pilot program.

9 (h) DEFINITIONS.—In this section:

10 (1) The term “administering Secretaries” has  
 11 the meaning given the term in section 1072(3) of  
 12 title 10, United States Code.

13 (2) The term “Secretary concerned” has the  
 14 meaning given the term in section 101(5) of title 37,  
 15 United States Code.

16 **TITLE VIII—ACQUISITION POL-**  
 17 **ICY, ACQUISITION MANAGE-**  
 18 **MENT, AND RELATED MAT-**  
 19 **TERS**

20 **Subtitle A—Procurement**

21 **Management and Administration**

22 **SEC. 801. MANAGEMENT OF PROCUREMENTS OF SERVICES.**

23 (a) RESPONSIBILITY OF UNDER SECRETARY OF DE-  
 24 FENSE FOR ACQUISITION, TECHNOLOGY, AND LOGIS-

1 TICS.—Section 133(b) of title 10, United States Code, is  
2 amended—

3 (1) by striking “and” at the end of paragraph  
4 (4);

5 (2) by redesignating paragraph (5) as para-  
6 graph (6); and

7 (3) by inserting after paragraph (4) the fol-  
8 lowing new paragraph (5):

9 “(5) managing the procurements of services for  
10 the Department of Defense; and”.

11 (b) REQUIREMENT FOR MANAGEMENT STRUC-  
12 TURE.—(1) Chapter 137 of such title is amended by in-  
13 serting after section 2328 the following new section:

14 **“§ 2330. Procurements of services: management struc-**  
15 **ture**

16 “(a) REQUIREMENT FOR MANAGEMENT STRUC-  
17 TURE.—The Under Secretary of Defense for Acquisition,  
18 Technology, and Logistics shall establish a structure for  
19 the management of procurements of services for the De-  
20 partment of Defense.

21 “(b) DELEGATION OF AUTHORITY.—(1) The man-  
22 agement structure shall provide for a designated official  
23 in each Defense Agency, military department, and com-  
24 mand to exercise the responsibility for the management

1 of the procurements of services for the official's Defense  
2 Agency, military department, or command, respectively.

3       “(2) For the exercise of the responsibility under para-  
4 graph (1), a designated official shall report, and be ac-  
5 countable, to—

6           “(A) the Under Secretary of Defense for Acqui-  
7 sition, Technology, and Logistics; and

8           “(B) such other officials as the Under Sec-  
9 retary may prescribe for the management structure.

10       “(3) Paragraph (2) shall not affect the responsibility  
11 of a designated official for a military department who is  
12 not the Secretary of that military department to report,  
13 and be accountable, to the Secretary of the military de-  
14 partment.

15       “(c) CONTRACTING RESPONSIBILITIES OF DES-  
16 IGNATED OFFICIALS.—The responsibilities of an official  
17 designated under subsection (b) shall include, with respect  
18 to the procurements of services for the Defense Agency,  
19 military department, or command of that official, the fol-  
20 lowing:

21           “(1) Ensuring that the services are procured by  
22 means of contracts or task orders that are in the  
23 best interests of the Department of Defense and are  
24 entered into or issued and managed in compliance  
25 with the applicable statutes, regulations, directives,

1 and other requirements, regardless of whether the  
2 services are procured through a contract of the De-  
3 partment of Defense or through a contract entered  
4 into by an official of the United States outside the  
5 Department of Defense.

6 “(2) Establishing within the Department of De-  
7 fense appropriate contract vehicles for use in the  
8 procurement of services so as to ensure that officials  
9 of the Department of Defense are accountable for  
10 the procurement of the services in accordance with  
11 the requirements of paragraph (1).

12 “(3) Analyzing data collected under section  
13 2330a of this title on contracts that are entered into  
14 for the procurement of services.

15 “(4) Approving, in advance, any procurement of  
16 services that is to be made through the use of—

17 “(A) a contract or task order that is not  
18 a performance-based contract or task order; or

19 “(B) a contract entered into, or a task  
20 order issued, by an official of the United States  
21 outside the Department of Defense.

22 “(d) DEFINITION.—In this section, the term ‘per-  
23 formance-based’, with respect to a contract or a task order  
24 means that the contract or task- order, respectively, in-  
25 cludes the use of performance work statements that set

1 forth contract requirements in clear, specific, and objective  
2 terms with measurable outcomes.”.

3       (2) Not later than 180 days after the date of the en-  
4 actment of this Act, the Under Secretary of Defense for  
5 Acquisition, Technology, and Logistics shall issue guid-  
6 ance for officials in the management structure established  
7 under section 2330 of title 10, United States Code (as  
8 added by paragraph (1)), regarding how to carry out their  
9 responsibilities under that section. The guidance shall in-  
10 clude, at a minimum, the following:

11           (A) Specific dollar thresholds, approval levels,  
12       and criteria for advance approvals under subsection  
13       (c)(4) of such section 2330.

14           (B) A prohibition on the procurement of serv-  
15       ices through the use of a contract entered into, or  
16       a task order issued, by an official of the United  
17       States outside the Department of Defense that is  
18       not a performance-based contract or task order, un-  
19       less an appropriate official in the management struc-  
20       ture established under such section 2330 determines  
21       in writing that the use of that means for the pro-  
22       curement is justified on the basis of exceptional cir-  
23       cumstances as being in the best interests of the De-  
24       partment of Defense.

1           (c) TRACKING OF PROCUREMENTS OF SERVICES.—  
2 Chapter 137 of title 10, United States Code, as amended  
3 by subsection (b), is further amended by inserting after  
4 section 2330 the following new section:

5 **“§ 2330a. Procurements of services: tracking**

6           “(a) DATA COLLECTION REQUIRED.—The Secretary  
7 of Defense shall establish a data collection system to pro-  
8 vide management information with regard to each pur-  
9 chase of services by a military department or Defense  
10 Agency in excess of the simplified acquisition threshold,  
11 regardless of whether such a purchase is made in the form  
12 of a contract, task order, delivery order, military inter-  
13 departmental purchase request, or any other form of inter-  
14 agency agreement.

15           “(b) DATA TO BE COLLECTED.—The data required  
16 to be collected under subsection (a) includes the following:

17                   “(1) The services purchased.

18                   “(2) The total dollar amount of the purchase.

19                   “(3) The form of contracting action used to  
20 make the purchase.

21                   “(4) Whether the purchase was made  
22 through—

23                           “(A) a performance-based contract, per-  
24 formance-based task order, or other perform-  
25 ance-based arrangement that contains firm

1 fixed prices for the specific tasks to be per-  
2 formed;

3 “(B) any other performance-based con-  
4 tract, performance-based task order, or per-  
5 formance-based arrangement; or

6 “(C) any contract, task order, or other ar-  
7 rangement that is not performance based.

8 “(5) In the case of a purchase made through an  
9 agency other than the Department of Defense—

10 “(A) the agency through which the pur-  
11 chase is made; and

12 “(B) the reasons for making the purchase  
13 through that agency.

14 “(6) The extent of competition provided in  
15 making the purchase (including the number of  
16 offerors).

17 “(7) whether the purchase was made from—

18 “(A) a small business concern;

19 “(B) a small business concern owned and  
20 controlled by socially and economically dis-  
21 advantaged individuals; or

22 “(C) a small business concern owned and  
23 controlled by women.

24 “(c) COMPATIBILITY WITH DATA COLLECTION SYS-  
25 TEM FOR INFORMATION TECHNOLOGY PURCHASES.—To

1 the maximum extent practicable, a single data collection  
2 system shall be used to collect data under this section and  
3 information under section 2225 of this title.

4 “(d) DEFINITIONS.—In this section:

5 “(1) The term ‘performance-based’, with re-  
6 spect to a contract, task order, or arrangement,  
7 means that the contract, task order, or arrangement,  
8 respectively, includes the use of performance work  
9 statements that set forth contract requirements in  
10 clear, specific, and objective terms with measurable  
11 outcomes.

12 “(2) The definitions set forth in section 2225(f)  
13 of this title for the terms ‘simplified acquisition  
14 threshold’, ‘small business concern’, ‘small business  
15 concern owned and controlled by socially and eco-  
16 nomically disadvantaged individuals’, and ‘small  
17 business concern owned and controlled by women’  
18 shall apply.”.

19 (d) REQUIREMENT FOR PROGRAM REVIEW STRUC-  
20 TURE.—(1) Not later than 180 days after the date of the  
21 enactment of this Act, the Secretary of Defense shall issue  
22 and implement a policy that applies to the procurement  
23 of services by the Department of Defense a program re-  
24 view structure that is similar to the one developed for and

1 applied to the procurement of systems by the Department  
2 of Defense.

3 (2) The program review structure for the procure-  
4 ment of services shall, at a minimum, include the fol-  
5 lowing:

6 (A) Standards for determining which procure-  
7 ments should be subject to review by either the sen-  
8 ior procurement executive of a military department  
9 or the senior procurement executive of the Depart-  
10 ment of Defense under such section, including cri-  
11 teria based on dollar thresholds, program criticality,  
12 or other appropriate measures.

13 (B) Appropriate milestones at which those re-  
14 views should take place.

15 (C) A description of the specific matters that  
16 should be reviewed.

17 (e) COMPTROLLER GENERAL REVIEW.—Not later  
18 than 90 days after the date on which the Secretary issues  
19 the policy required by subsection (d) and the Under Sec-  
20 retary of Defense for Acquisition, Technology, and Logis-  
21 tics issues the guidance required by subsection (b)(2), the  
22 Comptroller General shall submit to the Committees on  
23 Armed Services of the Senate and the House of Represent-  
24 atives an assessment of the compliance with the require-

1 ments of this section and the amendments made by this  
2 section.

3 (f) DEFINITIONS.—In this section:

4 (1) The term “senior procurement executive”  
5 means the official designated as the senior procure-  
6 ment executive under section 16(3) of the Office of  
7 Federal Procurement Policy Act (41 U.S.C. 414(3)).

8 (2) The term “performance-based”, with re-  
9 spect to a contract or a task order means that the  
10 contract or task order, respectively, includes the use  
11 of performance work statements that set forth con-  
12 tract requirements in clear, specific, and objective  
13 terms with measurable outcomes.

14 (g) CLERICAL AMENDMENTS.—(1) The heading for  
15 section 2331 of title 10, United States Code, is amended  
16 to read as follows:

17 **“§ 2331. Procurements of services: contracts for pro-**  
18 **fessional and technical services”.**

19 (2) The table of sections at the beginning of chapter  
20 137 of such title is amended by striking the item relating  
21 to section 2331 and inserting the following new items:

“2330. Procurements of services: management structure.

“2330a. Procurements of services: tracking.

“2331. Procurements of services: contracts for professional and technical serv-  
ices.”.

1 **SEC. 802. SAVINGS GOALS FOR PROCUREMENTS OF SERV-**  
2 **ICES.**

3 (a) GOALS.—(1) It shall be an objective of the De-  
4 partment of Defense to achieve savings in expenditures for  
5 procurements of services through the use of—

6 (A) performance-based services contracting;

7 (B) competition for task orders under services  
8 contracts; and

9 (C) program review, spending analyses, and im-  
10 proved management of services contracts.

11 (2) In furtherance of that objective, the Department  
12 of Defense shall have goals to use improved management  
13 practices to achieve, over 10 fiscal years, reductions in the  
14 total amount that would otherwise be expended by the De-  
15 partment for the procurement of services (other than mili-  
16 tary construction) in a fiscal year by the amount equal  
17 to 10 percent of the total amount of the expenditures of  
18 the Department for fiscal year 2000 for procurement of  
19 services (other than military construction), as follows:

20 (A) By fiscal year 2002, a three percent reduc-  
21 tion.

22 (B) By fiscal year 2003, a four percent reduc-  
23 tion.

24 (C) By fiscal year 2004, a five percent reduc-  
25 tion.

1           (D) By fiscal year 2011, a ten percent reduc-  
2           tion.

3           (b) ANNUAL REPORT.—Not later than March 1,  
4 2002, and annually thereafter through March 1, 2006, the  
5 Secretary of Defense shall submit to the congressional de-  
6 fense committees a report on the progress made toward  
7 meeting the objective and goals established in subsection  
8 (a). Each report shall include, at a minimum, the following  
9 information:

10           (1) A summary of the steps taken or planned  
11           to be taken in the fiscal year of the report to im-  
12           prove the management of procurements of services.

13           (2) A summary of the steps planned to be taken  
14           in the following fiscal year to improve the manage-  
15           ment of procurements of services.

16           (3) An estimate of the amount that will be ex-  
17           pended by the Department of Defense for procure-  
18           ments of services in the fiscal year of the report.

19           (4) An estimate of the amount that will be ex-  
20           pended by the Department of Defense for procure-  
21           ments of services in the following fiscal year.

22           (5) An estimate of the amount of savings that,  
23           as a result of improvement of the management prac-  
24           tices used by the Department of Defense, will be  
25           achieved for the procurement of services by the De-

1       partment in the fiscal year of the report and in the  
2       following fiscal year.

3       (c) REVIEW AND REPORT BY COMPTROLLER GEN-  
4       ERAL.—The Comptroller General shall review each report  
5       submitted by the Secretary pursuant to subsection (b),  
6       and within 90 days after the date of the report, submit  
7       to Congress a report containing the Comptroller General’s  
8       assessment of the extent to which the Department of De-  
9       fense has taken steps necessary to achieve the objective  
10      and goals established by subsection (a). In each report the  
11      Comptroller General shall, at a minimum, address—

12           (1) the accuracy and reliability of the estimates  
13           included in the Secretary’s report; and

14           (2) the effectiveness of the improvements in  
15           management practices that have been taken, and  
16           those that are planned to be taken, in the Depart-  
17           ment of Defense to achieve savings in procurements  
18           of services by the Department.

19      **SEC. 803. COMPETITION REQUIREMENT FOR PURCHASES**  
20                   **PURSUANT TO MULTIPLE AWARD CON-**  
21                   **TRACTS.**

22      (a) REGULATIONS REQUIRED.—Not later than 180  
23      days after the date of the enactment of this Act, the Sec-  
24      retary of Defense shall promulgate in the Department of  
25      Defense Supplement to the Federal Acquisition Regula-

1 tion regulations requiring competition in the purchase of  
2 products and services by the Department of Defense pur-  
3 suant to multiple award contracts.

4 (b) CONTENT OF REGULATIONS.—The regulations  
5 required by subsection (a) shall provide, at a minimum,  
6 that each individual procurement of products and services  
7 in excess of \$50,000 that is made under a multiple award  
8 contract shall be made on a competitive basis unless a con-  
9 tracting officer of the Department of Defense—

10 (1) waives the requirement on the basis of a de-  
11 termination that one of the circumstances described  
12 in paragraphs (1) through (4) of section 2304(c) of  
13 title 10, United States Code, applies to such indi-  
14 vidual procurement; and

15 (2) justifies the determination in writing.

16 (c) REPORTING REQUIREMENT.—The Secretary shall  
17 submit to the congressional defense committees each year  
18 a report on the use of the waiver authority provided in  
19 the regulations prescribed under subsection (b). The re-  
20 port for a year shall include, at a minimum, for each mili-  
21 tary department and each Defense Agency, the following:

22 (1) The number of the waivers granted.

23 (2) The dollar value of the procurements for  
24 which the waivers were granted.

1           (3) The bases on which the waivers were grant-  
2 ed.

3 (d) DEFINITIONS.—In this section:

4           (1) The term “individual procurement” means  
5 a task order, delivery order, or other purchase.

6           (2) The term “multiple award contract”  
7 means—

8                   (A) a contract that is entered into by the  
9 Administrator of General Services under the  
10 multiple award schedule program referred to in  
11 section 2302(2)(C) of title 10, United States  
12 Code;

13                   (B) a multiple award task order contract  
14 or delivery order contract that is entered into  
15 under the authority of sections 2304a through  
16 2304d of title 10, United States Code, or sec-  
17 tions 303H through 303K of the Federal Prop-  
18 erty and Administrative Services Act of 1949  
19 (41 U.S.C. 253h through 253k); and

20                   (C) any other indeterminate delivery, inde-  
21 terminate quantity contract that is entered into  
22 by the head of a Federal agency with two or  
23 more sources pursuant to the same solicitation.

24           (3) The term “competitive basis”, with respect  
25 to an individual procurement of products or services

1 under a multiple award contract, means procedures  
2 that—

3 (A) require fair notice to be provided to all  
4 contractors offering such products or services  
5 under the multiple award contract of the intent  
6 to make that procurement; and

7 (B) afford all such contractors a fair op-  
8 portunity to make an offer and have that offer  
9 fully and fairly considered by the official mak-  
10 ing the procurement.

11 (4) The term “Defense Agency” has the mean-  
12 ing given that term in section 101(a)(11) of title 10,  
13 United States Code.

14 (e) APPLICABILITY.—The regulations promulgated  
15 by the Secretary pursuant to subsection (a) shall take ef-  
16 fect not later than 180 days after the date of the enact-  
17 ment of this Act and shall apply to all individual procure-  
18 ments that are made under multiple award contracts on  
19 or after the effective date, without regard to whether the  
20 multiple award contracts were entered into before, on, or  
21 after such effective date.

22 **SEC. 804. RISK REDUCTION AT INITIATION OF MAJOR DE-**  
23 **FENSE ACQUISITION PROGRAM.**

24 (a) STANDARD FOR TECHNOLOGICAL MATURITY.—

25 (1) Chapter 144 of title 10, United States Code, is amend-

1 ed by inserting after section 2431 the following new sec-  
2 tion:

3 **“§ 2431a. Risk reduction at program initiation**

4       “(a) REQUIREMENT FOR DEMONSTRATION OF CRIT-  
5 ICAL TECHNOLOGIES.—Each critical technology that is to  
6 be used in production under a major defense acquisition  
7 program shall be successfully demonstrated in a relevant  
8 environment, as determined in writing by the Under Sec-  
9 retary of Defense for Acquisition, Technology, and Logis-  
10 tics.

11       “(b) PROHIBITION.—Neither of the following actions  
12 may be taken in a major defense acquisition program be-  
13 fore the requirement of subsection (a) has been satisfied  
14 for the program:

15               “(1) Milestone B approval.

16               “(2) Initiation of the program without a Mile-  
17 stone B approval.

18       “(c) WAIVER.—The Under Secretary of Defense for  
19 Acquisition, Technology, and Logistics may waive the pro-  
20 hibition in subsection (b) with respect to a major defense  
21 acquisition program if the Milestone Decision Authority  
22 for the program certifies to the Under Secretary that ex-  
23 ceptional circumstances justify proceeding with an action  
24 described in that subsection for the program before com-  
25 pliance with subsection (a).

1       “(d) ANNUAL REPORT ON WAIVERS.—(1) The Sec-  
2 retary of Defense shall submit to the Committees on  
3 Armed Services and on Appropriations of the Senate and  
4 the House of Representatives each year the justification  
5 for any waiver granted with respect to a major defense  
6 acquisition program under subsection (c) during the fiscal  
7 year covered by the report.

8       “(2) The report for a fiscal year shall be submitted  
9 with the submission of the weapons development and pro-  
10 curement schedules under section 2431 of this title and  
11 shall cover the fiscal year preceding the fiscal year in  
12 which submitted.

13       “(e) DEFINITIONS.—In this section:

14               “(1) The term ‘Milestone B approval’ means  
15 approval to begin integrated system development  
16 and demonstration.

17               “(2) The term ‘Milestone Decision Authority’  
18 means the official of the Department of Defense who  
19 is designated in accordance with criteria prescribed  
20 by the Secretary of Defense to approve entry of a  
21 major defense acquisition program into the next  
22 phase of the acquisition process.”.

23       (2) The table of sections at the beginning of such  
24 chapter is amended by inserting after the item relating  
25 to section 2431 the following:

“2431a. Risk reduction at program initiation.”.

1 (b) EFFECTIVE DATE AND APPLICABILITY.—(1) Sec-  
2 tion 2431a of title 10, United States Code (as added by  
3 subsection (a)), shall take effect on the date of the enact-  
4 ment of this Act and shall apply to—

5 (A) any major defense acquisition program that  
6 is initiated on or after that date without a Milestone  
7 B approval having been issued for the program; and

8 (B) any major defense acquisition program that  
9 is initiated more than 6 months after that date with  
10 a Milestone B approval having been issued for the  
11 program before the initiation of the program.

12 (2) In paragraph (1):

13 (A) The term “major defense acquisition pro-  
14 gram” has the meaning given the term in section  
15 2430 of title 10, United States Code.

16 (B) The term “Milestone B approval” has the  
17 meaning given the term under section 2431a(d) of  
18 title 10, United States Code (as added by subsection  
19 (a)).

20 **SEC. 805. FOLLOW-ON PRODUCTION CONTRACTS FOR**  
21 **PRODUCTS DEVELOPED PURSUANT TO PRO-**  
22 **TOTYPE PROJECTS.**

23 Section 845 of the National Defense Authorization  
24 Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is  
25 amended—

1           (1) by redesignating subsection (f) as sub-  
2           section (g); and

3           (2) by inserting after subsection (e) the fol-  
4           lowing new subsection (f):

5           “(f) FOLLOW-ON PRODUCTION CONTRACTS.—(1) A  
6           transaction entered into under this section for a prototype  
7           project that satisfies the conditions set forth in subsection  
8           (d)(1)(B)(i) may provide for the award of a follow-on pro-  
9           duction contract to the participants in the transaction for  
10          a specific number of units at specific target prices. The  
11          number of units specified in the transaction shall be deter-  
12          mined on the basis of a balancing of the level of the invest-  
13          ment made in the project by the participants other than  
14          the Federal Government with the interest of the Federal  
15          Government in having competition among sources in the  
16          acquisition of the product or products prototyped under  
17          the project.

18          “(2) A follow-on production contract provided for in  
19          a transaction under paragraph (1) may be awarded to the  
20          participants in the transaction without the use of competi-  
21          tive procedures, notwithstanding the requirements of sec-  
22          tion 2304 of title 10, United States Code, if—

23                 “(A) competitive procedures were used for the  
24                 selection of parties for participation in the trans-  
25                 action;

1           “(B) the participants in the transaction suc-  
2           cessfully completed the prototype project provided  
3           for in the transaction;

4           “(C) the number of units provided for in the  
5           follow-on production contract does not exceed the  
6           number of units specified in the transaction for such  
7           a follow-on production contract; and

8           “(D) the prices established in the follow-on pro-  
9           duction contract do not exceed the target prices  
10          specified in the transaction for such a follow-on pro-  
11          duction contract.”.

## 12           **Subtitle B—Defense Acquisition** 13           **and Support Workforce**

### 14   **SEC. 811. REPORT ON IMPLEMENTATION OF RECOMMENDA-** 15           **TIONS OF THE ACQUISITION 2005 TASK** 16           **FORCE.**

17          (a) REQUIREMENT FOR REPORT.—Not later than  
18          March 1, 2002, the Secretary of Defense shall submit to  
19          the Committees on Armed Services of the Senate and the  
20          House of Representatives a report on the extent of the  
21          implementation of the recommendations set forth in the  
22          final report of the Department of Defense Acquisition  
23          2005 Task Force, entitled “Shaping the Civilian Acquisi-  
24          tion Workforce of the Future”.

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

3 (1) For each recommendation in the final re-  
4 port that is being implemented or that the Secretary  
5 plans to implement—

6 (A) a summary of all actions that have  
7 been taken to implement the recommendation;  
8 and

9 (B) a schedule, with specific milestones,  
10 for completing the implementation of the rec-  
11 ommendation.

12 (2) For each recommendation in the final re-  
13 port that the Secretary does not plan to  
14 implement—

15 (A) the reasons for the decision not to im-  
16 plement the recommendation; and

17 (B) a summary of any alternative actions  
18 the Secretary plans to take to address the pur-  
19 poses underlying the recommendation.

20 (3) A summary of any additional actions the  
21 Secretary plans to take to address concerns raised in  
22 the final report about the size and structure of the  
23 acquisition workforce of the Department of Defense.

24 (c) COMPTROLLER GENERAL REVIEW.—Not later  
25 than 60 days after the date on which the Secretary sub-

1 mits the report required by subsection (a), the Comptroller  
2 General shall—

3 (1) review the report; and

4 (2) submit to the committees referred to in sub-  
5 section (a) the Comptroller General's assessment of  
6 the extent to which the report—

7 (A) complies with the requirements of this  
8 section; and

9 (B) addresses the concerns raised in the  
10 final report about the size and structure of the  
11 acquisition workforce of the Department of De-  
12 fense.

13 **SEC. 812. MORATORIUM ON REDUCTION OF THE DEFENSE**  
14 **ACQUISITION AND SUPPORT WORKFORCE.**

15 (a) PROHIBITION.—Notwithstanding any other provi-  
16 sion of law, the defense acquisition and support workforce  
17 may not be reduced, during fiscal years 2002, 2003, and  
18 2004, below the level of that workforce as of September  
19 30, 2001, determined on the basis of full-time equivalent  
20 positions.

21 (b) WAIVER AUTHORITY.—The Secretary of Defense  
22 may waive the prohibition in subsection (a) and reduce  
23 the level of the defense acquisition and support workforce  
24 upon submitting to Congress the Secretary's certification  
25 that the defense acquisition and support workforce, at the

1 level to which reduced, will be able efficiently and effec-  
2 tively to perform the workloads that are required of that  
3 workforce consistent with the cost-effective management  
4 of the defense acquisition system to obtain best value  
5 equipment and with ensuring military readiness.

6 (c) DEFENSE ACQUISITION AND SUPPORT WORK-  
7 FORCE DEFINED.—In this section, the term “defense ac-  
8 quisition and support workforce” means Armed Forces  
9 and civilian personnel who are assigned to, or are em-  
10 ployed in, an organization of the Department of Defense  
11 that is—

12 (1) an acquisition organization specified in De-  
13 partment of Defense Instruction 5000.58, dated  
14 January 14, 1992; or

15 (2) an organization not so specified that has ac-  
16 quisition as its predominant mission, as determined  
17 by the Secretary of Defense.

18 **SEC. 813. REVISION OF ACQUISITION WORKFORCE QUALI-**  
19 **FICATION REQUIREMENTS.**

20 (a) SPECIAL REQUIREMENTS FOR MEMBERS OF A  
21 CONTINGENCY CONTRACTING FORCE.—(1) Subchapter II  
22 of chapter 87 of title 10, United States Code, is amended  
23 by inserting after section 1724 the following new section:

1 **“§ 1724a. Contingency contracting force: qualification**  
2 **requirements**

3 “(a) CONTINGENCY CONTRACTING FORCE.—The  
4 Secretary of Defense may identify as a contingency con-  
5 tracting force the acquisition positions described in sub-  
6 sections (a) and (b) of section 1724 of this title that in-  
7 volve duties requiring the personnel in those positions to  
8 deploy to perform contracting functions in support of a  
9 contingency operation or other Department of Defense op-  
10 eration.

11 “(b) QUALIFICATION REQUIREMENTS.—The Sec-  
12 retary of Defense shall prescribe the qualification require-  
13 ments for a person appointed to a position in any contin-  
14 gency contracting force identified under subsection (a).  
15 The requirements shall include requirements that the  
16 person—

17 “(1) either—

18 “(A) have completed the credits of study  
19 as described in section 1724(a)(3)(B) of this  
20 title;

21 “(B) have passed an examination consid-  
22 ered by the Secretary of Defense to dem-  
23 onstrate that the person has skills, knowledge,  
24 or abilities comparable to that of a person who  
25 has completed the credits of study described in  
26 such section; or

1           “(C) through a combination of having com-  
2           pleted some of the credits of study described in  
3           such section and having passed an examination,  
4           have demonstrated that the person has skills,  
5           knowledge, or abilities comparable to that of a  
6           person who has completed all of the credits of  
7           study described in such section; and

8           “(2) have satisfied such additional requirements  
9           for education and experience as the Secretary may  
10          prescribe.”.

11          (2) The table of sections at the beginning of such sub-  
12          chapter is amended by inserting after the item relating  
13          to section 1724 the following new item:

          “1724a. Contingency contracting force: qualification requirements.”.

14          (b) EXCEPTIONS TO GENERALLY APPLICABLE QUAL-  
15          IFICATION REQUIREMENTS.—Subsection (c) of such sec-  
16          tion is amended to read as follows:

17          “(c) EXCEPTIONS.—(1) The requirements imposed  
18          under subsection (a) or (b) of this section shall not apply  
19          to a person for either of the following purposes:

20                 “(A) In the case of an employee, to qualify to  
21                 serve in the position in which the employee was serv-  
22                 ing on October 1, 1993, or in any other position in  
23                 the same or lower grade and involving the same or  
24                 lower level of responsibilities as the position in which  
25                 the employee was serving on such date.

1           “(B) To qualify to serve in an acquisition posi-  
2           tion in any contingency contracting force identified  
3           under section 1724a of this title.

4           “(2) Subject to paragraph (3), the requirements im-  
5           posed under subsection (a) or (b) shall not apply to a per-  
6           son who, before October 1, 2000, served—

7           “(A) as a contracting officer in an executive  
8           agency with authority to award or administer con-  
9           tracts in excess of the simplified acquisition thresh-  
10          old (referred to in section 2304(g) of this title); or

11          “(B) in a position in an executive agency either  
12          as an employee in the GS-1102 occupational series  
13          or as a member of the armed forces in a similar oc-  
14          cupational specialty.

15          “(3) For the exception in subparagraph (A) or (B)  
16          of paragraph (2) to apply to an employee with respect to  
17          the requirements imposed under subsection (a) or (b), the  
18          employee must—

19               “(A) before October 1, 2000—

20                       “(i) have received a baccalaureate degree  
21                       as described in subparagraph (A) of subsection  
22                       (a)(3);

23                       “(ii) have completed credits of study as de-  
24                       scribed in subparagraph (B) of subsection  
25                       (a)(3);

1           “(iii) have passed an examination consid-  
2           ered by the Secretary of Defense to dem-  
3           onstrate skills, knowledge, or abilities com-  
4           parable to that of a person who has completed  
5           credits of study as described in subparagraph  
6           (B) of subsection (a)(3); or

7           “(iv) have been granted a waiver of the ap-  
8           plicability of the requirements imposed under  
9           subsection (a) or (b), as the case may be; or

10          “(B) on October 1, 1991, had at least 10 years  
11          of experience in one or more acquisition positions in  
12          the Department of Defense, comparable positions in  
13          other government agencies or the private sector, or  
14          similar positions in which an individual obtains expe-  
15          rience directly relevant to the field of contracting.”.

16          (c) CLARIFICATION OF APPLICABILITY OF WAIVER  
17          AUTHORITY TO MEMBERS OF THE ARMED FORCES.—  
18          Subsection (d) of such section is amended by striking “em-  
19          ployee or member of” in the first sentence and inserting  
20          “employee of, or a member of an armed force in,”.

21          (d) OFFICE OF PERSONNEL MANAGEMENT AP-  
22          PROVAL OF GENERALLY APPLICABLE DISCRETIONARY  
23          REQUIREMENTS.—Section 1725 of title 10, United States  
24          Code, is amended—

1 (1) in subsection (a), by striking “section 1723  
 2 or under section 1724(a)(4) of this title” in the first  
 3 sentence and inserting “section 1723, 1724(a)(4), or  
 4 1724a(b)(2)”; and

5 (2) in subsection (b), by striking “subsection  
 6 (a)(3) or (b) of section 1724 of this title” in the  
 7 first sentence and inserting “subsection (a)(3), (b),  
 8 or (c)(3)(A)(iii) of section 1724 of this title or under  
 9 subparagraph (B) or (C) of section 1724a(b)(1) of  
 10 this title”.

11 (e) TECHNICAL CORRECTIONS.—Sections  
 12 1724(a)(3)(B) and 1732(c)(2) of such title are amended  
 13 by striking “business finance” and inserting “business, fi-  
 14 nance”.

## 15 **Subtitle C—Use of Preferred** 16 **Sources**

17 **SEC. 821. APPLICABILITY OF COMPETITION REQUIRE-**  
 18 **MENTS TO PURCHASES FROM A REQUIRED**  
 19 **SOURCE.**

20 (a) CONDITIONS FOR COMPETITION.—(1) Chapter  
 21 141 of title 10, United States Code, is amended by adding  
 22 at the end the following:

1 **“§ 2410n. Products of Federal Prison Industries: pro-**  
2 **cedural requirements**

3 “(a) MARKET RESEARCH BEFORE PURCHASE.—Be-  
4 fore purchasing a product listed in the latest edition of  
5 the Federal Prison Industries catalog under section  
6 4124(d) of title 18, the Secretary of Defense shall conduct  
7 market research to determine whether the Federal Prison  
8 Industries product is comparable in price, quality, and  
9 time of delivery to products available from the private sec-  
10 tor.

11 “(b) LIMITED COMPETITION REQUIREMENT.—If the  
12 Secretary determines that a Federal Prison Industries  
13 product is not comparable in price, quality, and time of  
14 delivery to products available from the private sector, the  
15 Secretary shall use competitive procedures for the procure-  
16 ment of the product. In conducting such a competition,  
17 the Secretary shall consider a timely offer from Federal  
18 Prison Industries for award in accordance with the speci-  
19 fications and evaluation factors specified in the solicita-  
20 tion.

21 “(c) EXEMPTIONS.—Notwithstanding any other pro-  
22 vision of law, the Secretary shall not be required—

23 (1) to purchase from Federal Prison Industries  
24 any product that is—

1 (A) integral to, or embedded in, a product  
2 that is not available from Federal Prison Indus-  
3 tries; or

4 (B) a national security system; or

5 (2) to make a purchase from Federal Prison In-  
6 dustries in a total amount that is less than the  
7 micropurchase threshold, as defined in section 32(f)  
8 of the Office of Federal Procurement Policy Act (41  
9 U.S.C. 428(f)).

10 “(d) DEFINITIONS.—In this section:

11 “(1) The term ‘competitive procedures’ has the  
12 meaning given that term in section 2302(2) of this  
13 title.

14 “(2) The term ‘national security system’ means  
15 any telecommunications or information system oper-  
16 ated by the United States Government, the function,  
17 operation, or use of which—

18 “(A) involves intelligence activities;

19 “(B) involves cryptologic activities related  
20 to national security;

21 “(C) involves command and control of mili-  
22 tary forces;

23 “(D) involves equipment that is an integral  
24 part of a weapon or a weapon system; or



1 pate in Department of Defense procurements as prime  
2 contractors and appropriate opportunities to participate in  
3 such procurements as subcontractors.

4 “(b) LIMITATION ON USE OF ACQUISITION STRATE-  
5 GIES INVOLVING CONSOLIDATION.—(1) An official of a  
6 military department, Defense Agency, or Department of  
7 Defense Field Activity may not execute an acquisition  
8 strategy that includes a consolidation of contract require-  
9 ments of the military department, agency, or activity with  
10 a total value in excess of \$5,000,000, unless the senior  
11 procurement executive concerned first—

12 “(A) conducts market research;

13 “(B) identifies any alternative contracting ap-  
14 proaches that would involve a lesser degree of con-  
15 solidation of contract requirements; and

16 “(C) determines that the consolidation is nec-  
17 essary and justified.

18 “(2) A senior procurement executive may determine  
19 that an acquisition strategy involving a consolidation of  
20 contract requirements is necessary and justified for the  
21 purposes of paragraph (1) if the benefits of the acquisition  
22 strategy substantially exceed the benefits of each of the  
23 possible alternative contracting approaches identified  
24 under subparagraph (B) of that paragraph. However, sav-  
25 ings in administrative or personnel costs alone do not con-

1 stitute, for such purposes, a sufficient justification for a  
2 consolidation of contract requirements in a procurement  
3 unless the total amount of the cost savings is expected  
4 to be substantial in relation to the total cost of the pro-  
5 curement.

6 “(3) Benefits considered for the purposes of para-  
7 graphs (1) and (2) may include cost and, regardless of  
8 whether quantifiable in dollar amounts—

9 “(A) quality;

10 “(B) acquisition cycle;

11 “(C) terms and conditions; and

12 “(D) any other benefit.

13 “(c) DEFINITIONS.—In this section:

14 “(1) The terms ‘consolidation of contract re-  
15 quirements’ and ‘consolidation’, with respect to con-  
16 tract requirements of a military department, De-  
17 fense Agency, or Department of Defense Field Activ-  
18 ity, mean a use of a solicitation to obtain offers for  
19 a single contract or a multiple award contract to sat-  
20 isfy two or more requirements of that department,  
21 agency, or activity for goods or services that have  
22 previously been provided to, or performed for, that  
23 department, agency, or activity under two or more  
24 separate contracts smaller in cost than the total cost  
25 of the contract for which the offers are solicited.

1           “(2) The term “multiple award contract”  
2 means—

3           “(A) a contract that is entered into by the  
4 Administrator of General Services under the  
5 multiple award schedule program referred to in  
6 section 2302(2)(C) of this title;

7           “(B) a multiple award task order contract  
8 or delivery order contract that is entered into  
9 under the authority of sections 2304a through  
10 2304d of this title or sections 303H through  
11 303K of the Federal Property and Administra-  
12 tive Services Act of 1949 (41 U.S.C. 253h  
13 through 253k); and

14           “(C) any other indeterminate delivery, in-  
15 determinate quantity contract that is entered  
16 into by the head of a Federal agency with two  
17 or more sources pursuant to the same solicita-  
18 tion.

19           “(3) The term ‘senior procurement executive  
20 concerned’ means—

21           “(A) with respect to a military department,  
22 the official designated under section 16(3) of  
23 the Office of Federal Procurement Policy Act  
24 (41 U.S.C. 414(3)) as the senior procurement  
25 executive for the military department; or

1           “(B) with respect to a Defense Agency or  
2           a Department of Defense Field Activity, the of-  
3           ficial so designated for the Department of De-  
4           fense.

5           “(4) The term ‘small business concern’ means  
6           a business concern that is determined by the Admin-  
7           istrator of the Small Business Administration to be  
8           a small-business concern by application of the stand-  
9           ards prescribed under section 3(a) of the Small  
10          Business Act (15 U.S.C. 632(a)).”.

11          (2) The table of sections at the beginning of such  
12          chapter is amended by inserting after the item relating  
13          to section 2381 the following new item:

          “2382. Consolidation of contract requirements: policy and restrictions.”.

14          (b) DATA REVIEW.—(1) The Secretary of Defense  
15          shall revise the data collection systems of the Department  
16          of Defense to ensure that such systems are capable of  
17          identifying each procurement that involves a consolidation  
18          of contract requirements within the department with a  
19          total value in excess of \$5,000,000.

20          (2) The Secretary shall ensure that appropriate offi-  
21          cials of the Department of Defense periodically review the  
22          information collected pursuant to paragraph (1) in co-  
23          operation with the Small Business Administration—

1 (A) to determine the extent of the consolidation  
2 of contract requirements in the Department of De-  
3 fense; and

4 (B) to assess the impact of the consolidation of  
5 contract requirements on the availability of opportu-  
6 nities for small business concerns to participate in  
7 Department of Defense procurements, both as prime  
8 contractors and as subcontractors.

9 (3)(A) No official of the Department of Defense may  
10 modify any existing agency data collection system, create  
11 a new agency data collection system, or collect data not  
12 available in existing agency data collection systems for the  
13 purpose of complying with any requirement of law or regu-  
14 lation to collect data on the consolidation or bundling of  
15 contract requirements except to the extent necessary to  
16 comply with paragraph (1).

17 (B) The prohibition relating to the collection of data  
18 under subparagraph (A) does not apply to any sampling  
19 or study of Department of Defense contracts that—

20 (i) is carried out for the purposes of reviewing  
21 and assessing such contracts; and

22 (ii) does not require a modification of data col-  
23 lection systems, or the creation of new data collec-  
24 tion systems, in the Department of Defense.

25 (4) In this subsection:

1           (A) The term “bundling of contract require-  
2           ments” has the meaning given that term in section  
3           3(o)(2) of the Small Business Act (15 U.S.C.  
4           632(o)(2)).

5           (B) The term “consolidation of contract re-  
6           quirements” has the meaning given that term in sec-  
7           tion 2382(c)(1) of title 10, United States Code, as  
8           added by subsection (a).

9   **SEC. 823. CODIFICATION AND CONTINUATION OF MENTOR-**  
10                   **PROTEGE PROGRAM AS PERMANENT PRO-**  
11                   **GRAM.**

12           (a) IN GENERAL.—(1) Chapter 141 of title 10,  
13           United States Code, is amended by inserting after section  
14           2402 the following new section:

15   **“§ 2403. Mentor-Protege Program**

16           “(a) ESTABLISHMENT OF PROGRAM.—The Secretary  
17           of Defense shall carry out a program known as the ‘Men-  
18           tor-Protege Program’.

19           “(b) PURPOSE.—The purpose of the program is to  
20           provide incentives for major Department of Defense con-  
21           tractors to furnish eligible small business concerns (as de-  
22           fined in subsection (1)(2)) with assistance designed to en-  
23           hance the capabilities of eligible small business concerns  
24           to perform as subcontractors and suppliers under Depart-  
25           ment of Defense contracts and other contracts and sub-

1 contracts in order to increase the participation of such  
2 business concerns as subcontractors and suppliers under  
3 Department of Defense contracts, other Federal Govern-  
4 ment contracts, and commercial contracts.

5       “(c) PROGRAM PARTICIPANTS.—(1) A business con-  
6 cern meeting the eligibility requirements set out in sub-  
7 section (d) may enter into agreements under subsection  
8 (e) and furnish assistance to eligible small business con-  
9 cerns upon making application to the Secretary of Defense  
10 and being approved for participation in the program by  
11 the Secretary. A business concern participating in the pro-  
12 gram pursuant to such an approval shall be known, for  
13 the purposes of the program, as a ‘mentor firm’.

14       “(2) An eligible small business concern may obtain  
15 assistance from a mentor firm upon entering into an  
16 agreement with the mentor firm as provided in subsection  
17 (e). An eligible small business concern may not be a party  
18 to more than one agreement to receive such assistance at  
19 any time. An eligible small business concern receiving such  
20 assistance shall be known, for the purposes of the pro-  
21 gram, as a ‘protege firm’.

22       “(3) In entering into an agreement pursuant to sub-  
23 section (e), a mentor firm may rely in good faith on a  
24 written representation of a business concern that such  
25 business concern is a small business concern described in

1 subsection (l)(2)(A). The Administrator of the Small Busi-  
2 ness Administration shall determine the status of such  
3 business concern as such a small business concern in the  
4 event of a protest regarding the status of the business con-  
5 cern. If at any time the business concern is determined  
6 by the Administrator not to be such a small business con-  
7 cern, assistance furnished to the business concern by the  
8 mentor firm after the date of the determination may not  
9 be considered assistance furnished under the program.

10 “(d) MENTOR FIRM ELIGIBILITY.—Subject to sub-  
11 section (c)(1), a mentor firm eligible for award of Federal  
12 contracts may enter into an agreement with one or more  
13 protege firms under subsection (e) and provide assistance  
14 under the program pursuant to that agreement if—

15 “(1) during the fiscal year preceding the fiscal  
16 year in which the mentor firm enters into the agree-  
17 ment, the total amount of the Department of De-  
18 fense contracts awarded such mentor firm and the  
19 subcontracts awarded such mentor firm under De-  
20 partment of Defense contracts was equal to or great-  
21 er than \$100,000,000; or

22 “(2) the mentor firm demonstrates the capa-  
23 bility to assist in the development of protege firms,  
24 and is approved by the Secretary of Defense pursu-

1 ant to criteria specified in the regulations prescribed  
2 pursuant to subsection (k).

3 “(e) MENTOR-PROTEGE AGREEMENT.—Before pro-  
4 viding assistance to a protege firm under the program, a  
5 mentor firm shall enter into a mentor-protege agreement  
6 with the protege firm regarding the assistance to be pro-  
7 vided by the mentor firm. The agreement shall include the  
8 following:

9 “(1) A developmental program for the protege  
10 firm, in such detail as may be reasonable,  
11 including—

12 “(A) factors to assess the protege firm’s  
13 developmental progress under the program; and

14 “(B) the anticipated number and type of  
15 subcontracts to be awarded the protege firm.

16 “(2) A program participation term for any pe-  
17 riod of not more than three years, except that the  
18 term may be a period of up to five years if the Sec-  
19 retary of Defense determines in writing that unusual  
20 circumstances justify a program participation term  
21 in excess of three years.

22 “(3) Procedures for the protege firm to termi-  
23 nate the agreement voluntarily and for the mentor  
24 firm to terminate the agreement for cause.

1       “(f) FORMS OF ASSISTANCE.—A mentor firm may  
2 provide a protege firm the following:

3           “(1) Assistance, by using mentor firm per-  
4 sonnel, in—

5               “(A) general business management, includ-  
6 ing organizational management, financial man-  
7 agement, and personnel management, mar-  
8 keting, business development, and overall busi-  
9 ness planning;

10              “(B) engineering and technical matters  
11 such as production, inventory control, and qual-  
12 ity assurance; and

13              “(C) any other assistance designed to de-  
14 velop the capabilities of the protege firm under  
15 the developmental program referred to in sub-  
16 section (e).

17           “(2) Award of subcontracts on a noncompetitive  
18 basis to the protege firm under the Department of  
19 Defense or other contracts.

20           “(3) Payment of progress payments for per-  
21 formance of the protege firm under such a sub-  
22 contract in amounts as provided for in the sub-  
23 contract, but in no event may any such progress  
24 payment exceed 100 percent of the costs incurred by  
25 the protege firm for the performance.

1           “(4) Advance payments under such sub-  
2 contracts.

3           “(5) Loans.

4           “(6) Cash in exchange for an ownership interest  
5 in the protege firm, not to exceed 10 percent of the  
6 total ownership interest.

7           “(7) Assistance obtained by the mentor firm for  
8 the protege firm from one or more of the following:

9               “(A) Small business development centers  
10 established pursuant to section 21 of the Small  
11 Business Act (15 U.S.C. 648).

12               “(B) Entities providing procurement tech-  
13 nical assistance pursuant to chapter 142 of this  
14 title.

15               “(C) A historically Black college or univer-  
16 sity or a minority institution of higher edu-  
17 cation.

18           “(g) INCENTIVES FOR MENTOR FIRMS.—(1) The  
19 Secretary of Defense may provide to a mentor firm reim-  
20 bursement for the total amount of any progress payment  
21 or advance payment made under the program by the men-  
22 tor firm to a protege firm in connection with a Depart-  
23 ment of Defense contract awarded the mentor firm.

24           “(2)(A) The Secretary of Defense may provide to a  
25 mentor firm reimbursement for the costs of the assistance

1 furnished to a protege firm pursuant to paragraphs (1)  
2 and (7) of subsection (f) as provided for in a line item  
3 in a Department of Defense contract under which the  
4 mentor firm is furnishing products or services to the De-  
5 partment, subject to a maximum amount of reimburse-  
6 ment specified in such contract. The preceding sentence  
7 does not apply in a case in which the Secretary of Defense  
8 determines in writing that unusual circumstances justify  
9 reimbursement using a separate contract.

10       “(B) The determinations made in annual perform-  
11 ance reviews of a mentor firm’s mentor-protege agreement  
12 under subsection (j)(2) shall be a major factor in the de-  
13 terminations of amounts of reimbursement, if any, that  
14 the mentor firm is eligible to receive in the remaining  
15 years of the program participation term under the agree-  
16 ment.

17       “(C) The total amount reimbursed under this para-  
18 graph to a mentor firm for costs of assistance furnished  
19 in a fiscal year to a protege firm may not exceed  
20 \$1,000,000, except in a case in which the Secretary of De-  
21 fense determines in writing that unusual circumstances  
22 justify a reimbursement of a higher amount.

23       “(3)(A) Costs incurred by a mentor firm in providing  
24 assistance to a protege firm that are not reimbursed pur-  
25 suant to paragraph (2) shall be recognized as credit in

1 lieu of subcontract awards for purposes of determining  
2 whether the mentor firm attains a subcontracting partici-  
3 pation goal applicable to such mentor firm under a De-  
4 partment of Defense contract, under a contract with an-  
5 other executive agency, or under a divisional or company-  
6 wide subcontracting plan negotiated with the Department  
7 of Defense or another executive agency.

8       “(B) The amount of the credit given a mentor firm  
9 for any such unreimbursed costs shall be equal to—

10               “(i) four times the total amount of such costs  
11       attributable to assistance provided by entities de-  
12       scribed in subsection (f)(7);

13               “(ii) three times the total amount of such costs  
14       attributable to assistance furnished by the mentor  
15       firm’s employees; and

16               “(iii) two times the total amount of any other  
17       such costs.

18       “(C) Under regulations prescribed pursuant to sub-  
19       section (k), the Secretary of Defense shall adjust the  
20       amount of credit given a mentor firm pursuant to sub-  
21       paragraphs (A) and (B) if the Secretary determines that  
22       the firm’s performance regarding the award of sub-  
23       contracts to eligible small business concerns has declined  
24       without justifiable cause.

1       “(4) A mentor firm shall receive credit toward the  
2 attainment of a subcontracting participation goal applica-  
3 ble to such mentor firm for each subcontract for a product  
4 or service awarded under such contract by a mentor firm  
5 to a business concern that, except for its size, would be  
6 a small business concern owned and controlled by socially  
7 and economically disadvantaged individuals, but only if—

8               “(A) the size of such business concern is not  
9 more than two times the maximum size specified by  
10 the Administrator of the Small Business Administra-  
11 tion for purposes of determining whether a business  
12 concern furnishing such product or service is a small  
13 business concern; and

14               “(B) the business concern formerly had a men-  
15 tor-protege agreement with such mentor firm that  
16 was not terminated for cause.

17       “(h) RELATIONSHIP TO SMALL BUSINESS ACT.—(1)  
18 For purposes of the Small Business Act, no determination  
19 of affiliation or control (either direct or indirect) may be  
20 found between a protege firm and its mentor firm on the  
21 basis that the mentor firm has agreed to furnish (or has  
22 furnished) to its protege firm pursuant to a mentor-pro-  
23 tege agreement any form of developmental assistance de-  
24 scribed in subsection (f).

1       “(2) Notwithstanding section 8 of the Small Business  
2 Act (15 U.S.C. 637), the Small Business Administration  
3 may not determine an eligible small business concern to  
4 be ineligible to receive any assistance authorized under the  
5 Small Business Act on the basis that such business con-  
6 cern has participated in the Mentor-Protege Program or  
7 has received assistance pursuant to any developmental as-  
8 sistance agreement authorized under such program.

9       “(3) The Small Business Administration may not re-  
10 quire a firm that is entering into, or has entered into, an  
11 agreement under subsection (e) as a protege firm to sub-  
12 mit the agreement, or any other document required by the  
13 Secretary of Defense in the administration of the Mentor-  
14 Protege Program, to the Small Business Administration  
15 for review, approval, or any other purpose.

16       “(i) PARTICIPATION IN MENTOR-PROTEGE PROGRAM  
17 NOT TO BE A CONDITION FOR AWARD OF A CONTRACT  
18 OR SUBCONTRACT.—A mentor firm may not require a  
19 business concern to enter into an agreement with the men-  
20 tor firm pursuant to subsection (e) as a condition for  
21 being awarded a contract by the mentor firm, including  
22 a subcontract under a contract awarded to the mentor  
23 firm.

24       “(j) REPORTS AND REVIEWS.—(1) The mentor firm  
25 and protege firm under a mentor-protege agreement shall

1 submit to the Secretary of Defense an annual report on  
2 the progress made by the protege firm in employment, rev-  
3 enues, and participation in Department of Defense con-  
4 tracts during the fiscal year covered by the report. The  
5 requirement for submission of an annual report applies  
6 with respect to each fiscal year covered by the program  
7 participation term under the agreement and each of the  
8 two fiscal years following the expiration of the program  
9 participation term. The Secretary shall prescribe the tim-  
10 ing and form of the annual report.

11 “(2)(A) The Secretary shall conduct an annual per-  
12 formance review of each mentor-protege agreement that  
13 provides for reimbursement of costs. The Secretary shall  
14 determine on the basis of the review whether—

15 “(i) all costs reimbursed to the mentor firm  
16 under the agreement were reasonably incurred to  
17 furnish assistance to the protege firm in accordance  
18 with the requirements of this section and applicable  
19 regulations; and

20 “(ii) the mentor firm and protege firm accu-  
21 rately reported progress made by the protege firm in  
22 employment, revenues, and participation in Depart-  
23 ment of Defense contracts during the program par-  
24 ticipation term covered by the mentor-protege agree-

1       ment and the two fiscal years following the expira-  
2       tion of the program participation term.

3       “(B) The Secretary shall act through the Commander  
4 of the Defense Contract Management Command in car-  
5 rying out the reviews and making the determinations  
6 under subparagraph (A).

7       “(k) REGULATIONS AND POLICIES.—(1) The Sec-  
8 retary of Defense shall prescribe regulations to carry out  
9 the Mentor-Protege Program. The regulations shall in-  
10 clude the following:

11           “(A) The requirements set forth in section 8(d)  
12 of the Small Business Act (15 U.S.C. 673(d)).

13           “(B) Procedures by which mentor firms may  
14 terminate participation in the program.

15       “(2) The Department of Defense policy regarding the  
16 Mentor-Protege Program shall be published and main-  
17 tained as an appendix to the Department of Defense Sup-  
18 plement to the Federal Acquisition Regulation.

19       “(l) DEFINITIONS.—In this section:

20           “(1) The term ‘small business concern’ means  
21 a business concern that meets the requirements of  
22 section 3(a) of the Small Business Act (15 U.S.C.  
23 632(a)) and the regulations promulgated pursuant  
24 thereto.

1           “(2) The term ‘eligible small business concern’  
2 is a small business concern that—

3           “(A) is either—

4                 “(i) a disadvantaged small business con-  
5 cern; or

6                 “(ii) a small business concern owned and  
7 controlled by women; and

8           “(B) is eligible for the award of Federal con-  
9 tracts.

10           “(3) The term ‘disadvantaged small business  
11 concern’ means—

12                 “(A) a small business concern owned and  
13 controlled by socially and economically dis-  
14 advantaged individuals, as defined in section  
15 8(d)(3)(C) of the Small Business Act (15  
16 U.S.C. 637(d)(3)(C));

17                 “(B) a business entity owned and con-  
18 trolled by an Indian tribe as defined by section  
19 8(a)(13) of the Small Business Act (15 U.S.C.  
20 637(a)(13));

21                 “(C) a business entity owned and con-  
22 trolled by a Native Hawaiian Organization as  
23 defined by section 8(a)(15) of the Small Busi-  
24 ness Act (15 U.S.C. 637(a)(15)); or

1           “(D) a qualified organization employing  
2           the severely disabled.

3           “(4) The term ‘small business concern owned  
4           and controlled by women’ has the meaning given  
5           such term in section 8(d)(3)(D) of the Small Busi-  
6           ness Act (15 U.S.C. 637(d)(3)(D)).

7           “(5) The term ‘historically Black college and  
8           university’ means any of the historically Black col-  
9           leges and universities referred to in section 2323 of  
10          this title.

11          “(6) The term ‘minority institution of higher  
12          education’ means an institution of higher education  
13          with a student body that reflects the composition  
14          specified in paragraphs (3), (4), and (5) of section  
15          312(b) of the Higher Education Act of 1965 (20  
16          U.S.C. 1058(b)), as in effect on September 30,  
17          1992.

18          “(7) The term ‘subcontracting participation  
19          goal’, with respect to a Department of Defense con-  
20          tract, means a goal for the extent of the partici-  
21          pation by eligible small business concerns in the sub-  
22          contracts awarded under such contract, as estab-  
23          lished pursuant to section 2323 of this title and sec-  
24          tion 8(d) of the Small Business Act (15 U.S.C.  
25          637(d)).

1           “(8) The term ‘qualified organization employing  
2 the severely disabled’ means a business entity oper-  
3 ated on a for-profit or nonprofit basis that—

4           “(A) uses rehabilitative engineering to pro-  
5 vide employment opportunities for severely dis-  
6 abled individuals and integrates severely dis-  
7 abled individuals into its workforce;

8           “(B) employs severely disabled individuals  
9 at a rate that averages not less than 20 percent  
10 of its total workforce;

11           “(C) employs each severely disabled indi-  
12 vidual in its workforce generally on the basis of  
13 40 hours per week; and

14           “(D) pays not less than the minimum wage  
15 prescribed pursuant to section 6 of the Fair  
16 Labor Standards Act of 1938 (29 U.S.C. 206)  
17 to those employees who are severely disabled in-  
18 dividuals.

19           “(9) The term ‘severely disabled individual’  
20 means an individual who has a physical or mental  
21 disability which constitutes a substantial handicap to  
22 employment and which, in accordance with criteria  
23 prescribed by the Committee for Purchase From  
24 People Who Are Blind or Severely Disabled estab-  
25 lished by the first section of the Javits-Wagner-

1 O'Day Act (41 U.S.C. 46), is of such a nature that  
2 the individual is otherwise prevented from engaging  
3 in normal competitive employment.”.

4 (2) The table of sections at the beginning of such  
5 chapter is amended by inserting after the item relating  
6 to section 2402 the following new item:

“2403. Mentor-Protege Program.”.

7 (b) REPEAL OF SUPERSEDED LAW.—Section 831 of  
8 the National Defense Authorization Act for Fiscal Year  
9 1991 (10 U.S.C. 2302 note) is repealed.

10 (c) CONTINUATION OF TEMPORARY REPORTING RE-  
11 QUIREMENT.—(1) Not later than six months after the end  
12 of each of fiscal years 2001 through 2004, the Secretary  
13 of Defense shall submit to Congress an annual report on  
14 the Mentor-Protege Program for that fiscal year.

15 (2) The annual report for a fiscal year shall include,  
16 at a minimum, the following:

17 (A) The number of mentor-protege agreements  
18 that were entered into during the fiscal year.

19 (B) The number of mentor-protege agreements  
20 that were in effect during the fiscal year.

21 (C) The total amount reimbursed during the  
22 fiscal year to mentor firms pursuant to section  
23 2403(g) of title 10, United States Code (as added by  
24 subsection (a)), or section 831(g) of the National  
25 Defense Authorization Act for fiscal year 1991 (as

1 in effect on the day before the date of the enactment  
2 of this Act).

3 (D) Each mentor-protege agreement, if any,  
4 that was approved during the fiscal year in accord-  
5 ance with section 2403(e)(2) of title 10, United  
6 States Code (as added by subsection (a)), or section  
7 831(e)(2) of the National Defense Authorization Act  
8 for Fiscal Year 1991 (as in effect on the day before  
9 the date of the enactment of this Act) to provide a  
10 program participation term in excess of three years,  
11 together with the justification for the approval.

12 (E) Each reimbursement of a mentor firm in  
13 excess of the limitation in subsection (g)(2)(C) of  
14 section 2403 of title 10, United States Code (as  
15 added by subsection (a)), or subsection (g)(2)(C) of  
16 section 831 of the National Defense Authorization  
17 Act for Fiscal Year 1991 (as in effect on the day be-  
18 fore the date of the enactment of this Act) that was  
19 made during the fiscal year pursuant to an approval  
20 granted in accordance with that subsection, together  
21 with the justification for the approval.

22 (F) Trends in the progress made in employ-  
23 ment, revenues, and participation in Department of  
24 Defense contracts by the protege firms participating  
25 in the program during the fiscal year and the pro-

1 tege firms that completed or otherwise terminated  
2 participation in the program during the preceding  
3 two fiscal years.

4 (d) CONTINUATION OF REQUIREMENT FOR GAO  
5 STUDY AND REPORT.—Nothing in this section shall be  
6 construed as modifying the requirements of section  
7 811(d)(3) of the National Defense Authorization Act for  
8 Fiscal Year 2000 (Public Law 106–65; 113 Stat. 709).

9 (e) SAVINGS PROVISIONS.—(1) All orders, determina-  
10 tions, rules, regulations, contracts, privileges, and other  
11 administrative actions that—

12 (A) have been issued, made, granted, or allowed  
13 to become effective under the pilot Mentor-Protégé  
14 Program under section 831 of the National Defense  
15 Authorization Act for Fiscal Year 1991, as in effect  
16 on the day before the date of the enactment of this  
17 Act, including any such action taken by a court of  
18 competent jurisdiction, and

19 (B) are in effect at the end of such day, or were  
20 final before the date of the enactment of this Act  
21 and are to become effective on or after that date,  
22 shall continue in effect according to their terms until  
23 modified, terminated, superseded, set aside, or revoked in  
24 accordance with law by the Secretary of Defense or a court  
25 of competent jurisdiction or by operation of law.

1           (2) This section and the amendments made by this  
2 section shall not affect any proceedings, including notices  
3 of proposed rulemaking, that are pending before the De-  
4 partment of Defense as of the date of the enactment of  
5 this Act, with respect to the administration of the pilot  
6 Mentor-Protege Program under section 831 of the Na-  
7 tional Defense Authorization Act for Fiscal Year 1991,  
8 as in effect on the day before that date, but such pro-  
9 ceedings and applications shall be continued. Orders shall  
10 be issued in such proceedings, appeals shall be taken  
11 therefrom, and payments shall be made pursuant to such  
12 orders, as if this section had not been enacted, and orders  
13 issued in any such proceedings shall continue in effect  
14 until modified, terminated, superseded, or revoked by a  
15 duly authorized official, by a court of competent jurisdic-  
16 tion, or by operation of law. Nothing in this section shall  
17 be deemed to prohibit the discontinuance or modification  
18 of any such proceeding under the same terms and condi-  
19 tions and to the same extent that such proceeding could  
20 have been discontinued or modified if this section had not  
21 been enacted.

22           (3) The amendment made by subsection (a)(1), and  
23 the repeal of section 831 of the National Defense Author-  
24 ization Act for Fiscal Year 1991 by subsection (b), shall  
25 not be construed as modifying or otherwise affecting the

1 requirement in section 811(f)(2) of the National Defense  
 2 Authorization Act for Fiscal Year 2000 (Public Law 106–  
 3 65; 113 Stat. 709).

4 **Subtitle D—Amendments to Gen-**  
 5 **eral Contracting Authorities,**  
 6 **Procedures, and Related Mat-**  
 7 **ters**

8 **SEC. 831. AMENDMENTS TO CONFORM WITH ADMINISTRA-**  
 9 **TIVE CHANGES IN ACQUISITION PHASE AND**  
 10 **MILESTONE TERMINOLOGY AND TO MAKE**  
 11 **RELATED ADJUSTMENTS IN CERTAIN RE-**  
 12 **QUIREMENTS APPLICABLE AT MILESTONE**  
 13 **TRANSITION POINTS.**

14 (a) **ACQUISITION PHASE TERMINOLOGY.**—The fol-  
 15 lowing provisions of title 10, United States Code, are  
 16 amended by striking “engineering and manufacturing de-  
 17 velopment” each place it appears and inserting “system  
 18 development and demonstration”: sections 2366(c) and  
 19 2434(a), and subsections (b)(3)(A)(i), (c)(3)(A), and  
 20 (h)(1) of section 2432.

21 (b) **MILESTONE TRANSITION POINTS.**—(1) Section  
 22 811(c) of the Floyd D. Spence National Defense Author-  
 23 ization Act for Fiscal Year 2001 (as enacted into law by  
 24 Public Law 106–398; 114 Stat. 1654A–211), is amended  
 25 by striking “Milestone I approval, Milestone II approval,

1 or Milestone III approval (or the equivalent) of a major  
2 automated information system” and inserting “approval  
3 of a major automated information system at Milestone B  
4 or C or for full rate production, or an equivalent ap-  
5 proval,”.

6 (2) Department of Defense Directive 5000.1, as re-  
7 vised in accordance with subsection (b) of section 811 of  
8 such Act, shall be further revised as necessary to comply  
9 with subsection (c) of such section, as amended by para-  
10 graph (1), within 60 days after the date of the enactment  
11 of this Act.

12 (c) ADJUSTMENTS TO REQUIREMENT FOR DETER-  
13 MINATION OF QUANTITY FOR LOW-RATE INITIAL PRO-  
14 Duction.—Section 2400(a) of title 10, United States  
15 Code, is amended—

16 (1) by striking “milestone II” each place it ap-  
17 pears in paragraphs (1)(A), (2), (4) and (5) and in-  
18 serting “milestone B”; and

19 (2) in paragraph (2), by striking “engineering  
20 and manufacturing development” and inserting “sys-  
21 tem development and demonstration”.

22 (d) ADJUSTMENTS TO REQUIREMENTS FOR BASE-  
23 LINE DESCRIPTION AND THE RELATED LIMITATION.—  
24 Section 2435 of title 10, United States Code, is  
25 amended—

1 (1) in subsection (b), by striking “engineering  
2 and manufacturing development” and inserting “sys-  
3 tem development and demonstration”; and

4 (2) in subsection (c)—

5 (A) in paragraph (1), by striking “dem-  
6 onstration and validation” and inserting “sys-  
7 tem development and demonstration”;

8 (B) in paragraph (2), by striking “engi-  
9 neering and manufacturing development” and  
10 inserting “production and deployment”; and

11 (C) in paragraph (3), by striking “produc-  
12 tion and deployment” and inserting “full rate  
13 production”.

14 **SEC. 832. INAPPLICABILITY OF LIMITATION TO SMALL PUR-**  
15 **CHASES OF MINIATURE OR INSTRUMENT**  
16 **BALL OR ROLLER BEARINGS UNDER CER-**  
17 **TAIN CIRCUMSTANCES.**

18 Section 2534(g)(2) of title 10, United States Code,  
19 is amended—

20 (1) by striking “contracts” and inserting “a  
21 contract”;

22 (2) by striking the period at the end and insert-  
23 ing “unless the head of the contracting activity de-  
24 termines that—”; and

25 (3) by adding at the end the following:

1           “(A) the amount of the purchase does not ex-  
2       ceed \$25,000;

3           “(B) the precision level of the ball or roller  
4       bearings to be procured under the contract is rated  
5       lower than the rating known as Annual Bearing En-  
6       gineering Committee (ABEC) 5 or Roller Bearing  
7       Engineering Committee (RBEC) 5, or an equivalent  
8       of such rating;

9           “(C) at least two manufacturers in the national  
10      technology and industrial base that are capable of  
11      producing the ball or roller bearings have not re-  
12      sponded to a request for quotation issued by the  
13      contracting activity for that contract; and

14          “(D) no bearing to be procured under the con-  
15      tract has a basic outside diameter (exclusive of  
16      flange diameters) in excess of 30 millimeters.”.

17 **TITLE IX—DEPARTMENT OF DE-**  
18 **FENSE ORGANIZATION AND**  
19 **MANAGEMENT**

20 **SEC. 901. DEPUTY UNDER SECRETARY OF DEFENSE FOR**  
21 **PERSONNEL AND READINESS.**

22       (a) ESTABLISHMENT OF POSITION.—(1) Chapter 4  
23 of title 10, United States Code, is amended by inserting  
24 after section 136 the following new section:

1 **“§ 136a. Deputy Under Secretary of Defense for Per-**  
2 **sonnel and Readiness**

3 “(a) There is a Deputy Under Secretary of Defense  
4 for Personnel and Readiness, appointed from civilian life  
5 by the President, by and with the advice and consent of  
6 the Senate.

7 “(b) The Deputy Under Secretary of Defense for Per-  
8 sonnel and Readiness shall assist the Under Secretary of  
9 Defense for Personnel and Readiness in the performance  
10 of the duties of that position. The Deputy Under Sec-  
11 retary of Defense for Personnel and Readiness shall act  
12 for, and exercise the powers of, the Under Secretary when  
13 the Under Secretary is absent or disabled.”.

14 (2) The table of sections at the beginning of such  
15 chapter is amended by inserting after the item relating  
16 to section 136 the following new item:

“136a. Deputy Under Secretary of Defense for Personnel and Readiness.”.

17 (b) EXECUTIVE LEVEL IV.—Section 5315 of title 5,  
18 United States Code, is amended by inserting after “Dep-  
19 uty Under Secretary of Defense for Policy.” the following:

20 “Deputy Under Secretary of Defense for Per-  
21 sonnel and Readiness.”.

22 (c) REDUCTION IN NUMBER OF ASSISTANT SECRE-  
23 TARIES OF DEFENSE.—(1) Section 138(a) of title 10,  
24 United States Code, is amended by striking “nine” and  
25 inserting “eight”.

1           (2) Section 5315 of title 5, United States Code, is  
2 amended by striking “Assistant Secretaries of Defense  
3 (9).” and inserting the following:

4           “Assistant Secretaries of Defense (8).”.

5 **SEC. 902. RESPONSIBILITY OF UNDER SECRETARY OF THE**  
6           **AIR FORCE FOR ACQUISITION OF SPACE**  
7           **LAUNCH VEHICLES AND SERVICES.**

8           Section 8015(b) of title 10, United States Code, is  
9 amended—

10           (1) by inserting “(1)” after “(b)”; and

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

13           “(2) The Under Secretary shall be responsible for  
14 planning and contracting for, and for managing, the ac-  
15 quisition of space launch vehicles and space launch serv-  
16 ices for the Department of Defense and the National Re-  
17 connaissance Office.”.

18 **SEC. 903. SENSE OF CONGRESS REGARDING THE SELEC-**  
19           **TION OF OFFICERS FOR ASSIGNMENT AS THE**  
20           **COMMANDER IN CHIEF, UNITED STATES**  
21           **TRANSPORTATION COMMAND.**

22           (a) FINDINGS.—Congress makes the following find-  
23 ings:

24           (1) The Goldwater-Nichols Department of De-  
25 fense Reorganization Act of 1986 envisioned that an

1 officer would be assigned to serve as the commander  
2 of a combatant command on the basis of being the  
3 best qualified officer for the assignment rather than  
4 the best qualified officer of the armed force that has  
5 historically supplied an officer to serve in that as-  
6 signment.

7 (2) In order to provide for greater competition  
8 among the Armed Forces for selection of officers for  
9 assignment as the commanders of the combatant  
10 commands and assignment to certain other joint po-  
11 sitions in the grade of general or admiral, Congress  
12 provided temporary relief from the limitation on the  
13 number of officers serving on active duty in the  
14 grade of general or admiral in section 405 of the  
15 National Defense Authorization Act for Fiscal Year  
16 1995 and thereafter extended that relief until Sep-  
17 tember 30, 2003, but has also required that the Sec-  
18 retary of Defense be furnished the name of at least  
19 one officer from each of the Armed Forces for con-  
20 sideration for appointment to each such position.

21 (3) Most of the positions of commanders of the  
22 combatant commands have been filled successively  
23 by officers of more than one of the Armed Forces  
24 since the enactment of the Goldwater-Nichols De-  
25 partment of Defense Reorganization Act of 1986.



1 Naval Operations for Warfare Requirements and Pro-  
2 grams”.

3 **SEC. 905. REVISED REQUIREMENTS FOR CONTENT OF AN-**  
4 **NUAL REPORT ON JOINT WARFIGHTING EX-**  
5 **PERIMENTATION.**

6 Section 485(b) of title 10, United States Code, is  
7 amended—

8 (1) by inserting before the period at the end of  
9 paragraph (1) the following: “, together with a spe-  
10 cific assessment of whether there is a need for a  
11 major force program for funding joint warfighting  
12 experimentation and for funding the development  
13 and acquisition of any technology the value of which  
14 has been empirically demonstrated through such ex-  
15 perimentation”; and

16 (2) in paragraph (4)(E)—

17 (A) by inserting “(by lease or by pur-  
18 chase)” after “acquire”; and

19 (B) by inserting “(including any proto-  
20 type)” after “or equipment”.

21 **SEC. 906. SUSPENSION OF REORGANIZATION OF ENGINEER-**  
22 **ING AND TECHNICAL AUTHORITY POLICY**  
23 **WITHIN THE NAVAL SEA SYSTEMS COMMAND.**

24 (a) SUSPENSION.—During the period specified in  
25 subsection (b), the Secretary of the Navy may not com-

1 mence or continue any change in engineering or technical  
2 authority policy for the Naval Sea Systems Command or  
3 its subsidiary activities.

4 (b) DURATION.—Subsection (a) applies during the  
5 period beginning on the date of enactment of this Act and  
6 ending 60 days after the date on which the Secretary sub-  
7 mits to the congressional defense committees a report that  
8 sets forth in detail the Navy’s plans and justification for  
9 the reorganization of engineering and technical authority  
10 policy within the Naval Sea Systems Command.

11 **SEC. 907. CONFORMING AMENDMENTS RELATING TO**  
12 **CHANGE OF NAME OF AIR MOBILITY COM-**  
13 **MAND.**

14 (a) TITLE 10, UNITED STATES CODE.—Title 10,  
15 United States Code, is amended—

16 (1) by striking “Military Airlift Command” in  
17 sections 2554(d) and 2555(a) and inserting “Air  
18 Mobility Command”; and

19 (2) in section 8074, by striking subsection (c).

20 (b) TITLE 37, UNITED STATES CODE.—Sections  
21 430(c) and 432(b) of title 37, United States Code, are  
22 amended by striking “Military Airlift Command” and in-  
23 serting “Air Mobility Command”.

1 **TITLE X—GENERAL PROVISIONS**

2 **Subtitle A—Financial Matters**

3 **SEC. 1001. TRANSFER AUTHORITY.**

4 (a) **AUTHORITY TO TRANSFER AUTHORIZATIONS.—**

5 (1) Upon determination by the Secretary of Defense that  
6 such action is necessary in the national interest, the Sec-  
7 retary may transfer amounts of authorizations made avail-  
8 able to the Department of Defense in this division for fis-  
9 cal year 2002 between any such authorizations for that  
10 fiscal year (or any subdivisions thereof). Amounts of au-  
11 thorizations so transferred shall be merged with and be  
12 available for the same purposes as the authorization to  
13 which transferred.

14 (2) The total amount of authorizations that the Sec-  
15 retary may transfer under the authority of this section  
16 may not exceed \$2,000,000,000.

17 (b) **LIMITATIONS.—**The authority provided by this  
18 section to transfer authorizations—

19 (1) may only be used to provide authority for  
20 items that have a higher priority than the items  
21 from which authority is transferred; and

22 (2) may not be used to provide authority for an  
23 item that has been denied authorization by Con-  
24 gress.

1 (c) EFFECT ON AUTHORIZATION AMOUNTS.—A  
2 transfer made from one account to another under the au-  
3 thority of this section shall be deemed to increase the  
4 amount authorized for the account to which the amount  
5 is transferred by an amount equal to the amount trans-  
6 ferred.

7 (d) NOTICE TO CONGRESS.—The Secretary shall  
8 promptly notify Congress of each transfer made under  
9 subsection (a).

10 **SEC. 1002. REDUCTION IN AUTHORIZATIONS OF APPRO-**  
11 **PRIATIONS FOR DEPARTMENT OF DEFENSE**  
12 **FOR MANAGEMENT EFFICIENCIES.**

13 Notwithstanding any other provision of this Act, the  
14 total amount authorized to be appropriated for the De-  
15 partment of Defense by divisions A and B of this Act is  
16 hereby reduced by \$1,630,000,000, to reflect savings to  
17 be achieved through implementation of the provisions of  
18 title VIII and other management efficiencies and business  
19 process reforms.

20 **SEC. 1003. AUTHORIZATION OF SUPPLEMENTAL APPRO-**  
21 **PRIATIONS FOR FISCAL YEAR 2001.**

22 Amounts authorized to be appropriated to the De-  
23 partment of Defense for fiscal year 2001 in the Floyd D.  
24 Spence National Defense Authorization Act for Fiscal  
25 Year 2001 (as enacted into law by Public Law 106–398)

1 are hereby adjusted, with respect to any such authorized  
2 amount, by the amount by which appropriations pursuant  
3 to such authorization were increased (by a supplemental  
4 appropriation) or decreased (by a rescission), or both, in  
5 title I of the Supplemental Appropriations Act, 2001  
6 (Public Law 107–20).

7 **SEC. 1004. UNITED STATES CONTRIBUTION TO NATO COM-**  
8 **MON-FUNDED BUDGETS IN FISCAL YEAR 2002.**

9 (a) **FISCAL YEAR 2002 LIMITATION.**—The total  
10 amount contributed by the Secretary of Defense in fiscal  
11 year 2002 for the common-funded budgets of NATO may  
12 be any amount up to, but not in excess of, the amount  
13 specified in subsection (b) (rather than the maximum  
14 amount that would otherwise be applicable to those con-  
15 tributions under the fiscal year 1998 baseline limitation).

16 (b) **TOTAL AMOUNT.**—The amount of the limitation  
17 applicable under subsection (a) is the sum of the following:

18 (1) The amounts of unexpended balances, as of  
19 the end of fiscal year 2001, of funds appropriated  
20 for fiscal years before fiscal year 2002 for payments  
21 for those budgets.

22 (2) The amount specified in subsection (c)(1).

23 (3) The amount specified in subsection (c)(2).

24 (4) The total amount of the contributions au-  
25 thorized to be made under section 2501.

1 (c) AUTHORIZED AMOUNTS.—Amounts authorized to  
2 be appropriated by titles II and III of this Act are avail-  
3 able for contributions for the common-funded budgets of  
4 NATO as follows:

5 (1) Of the amount provided in section 201(1),  
6 \$708,000 for the Civil Budget.

7 (2) Of the amount provided in section 301(1),  
8 \$175,849,000 for the Military Budget.

9 (d) DEFINITIONS.—For purposes of this section:

10 (1) COMMON-FUNDED BUDGETS OF NATO.—  
11 The term “common-funded budgets of NATO”  
12 means the Military Budget, the Security Investment  
13 Program, and the Civil Budget of the North Atlantic  
14 Treaty Organization (and any successor or addi-  
15 tional account or program of NATO).

16 (2) FISCAL YEAR 1998 BASELINE LIMITATION.—  
17 The term “fiscal year 1998 baseline limitation”  
18 means the maximum annual amount of Department  
19 of Defense contributions for common-funded budgets  
20 of NATO that is set forth as the annual limitation  
21 in section 3(2)(C)(ii) of the resolution of the Senate  
22 giving the advice and consent of the Senate to the  
23 ratification of the Protocols to the North Atlantic  
24 Treaty of 1949 on the Accession of Poland, Hun-  
25 gary, and the Czech Republic (as defined in section

1 4(7) of that resolution), approved by the Senate on  
2 April 30, 1998.

3 **SEC. 1005. CLARIFICATION OF APPLICABILITY OF INTER-**  
4 **EST PENALTIES FOR LATE PAYMENT OF IN-**  
5 **TERIM PAYMENTS DUE UNDER CONTRACTS**  
6 **FOR SERVICES.**

7 Section 1010(d) of the Floyd D. Spence National De-  
8 fense Authorization Act for Fiscal Year 2001 (as enacted  
9 into law by Public Law 106–398; 114 Stat. 1654A–251)  
10 is amended by inserting before the period at the end of  
11 the first sentence the following: “, and shall apply with  
12 respect to interim payments that are due on or after such  
13 date under contracts entered into before, on, or after that  
14 date”.

15 **SEC. 1006. RELIABILITY OF DEPARTMENT OF DEFENSE FI-**  
16 **NANCIAL STATEMENTS.**

17 (a) ANNUAL REPORT ON RELIABILITY.—(1) Not  
18 later than July 1 of each year, the Secretary of Defense  
19 shall submit to the recipients referred to in paragraph (3)  
20 a report on the reliability of the Department of Defense  
21 financial statements, including the financial statements of  
22 each component of the department that is required to pre-  
23 pare a financial statement under section 3515(c) of title  
24 31, United States Code.

25 (2) The annual report shall contain the following:

1 (A) A conclusion regarding whether the policies  
2 and procedures of the Department of Defense, and  
3 the systems used within the Department of Defense,  
4 for the preparation of financial statements allow the  
5 achievement of reliability in the financial statements.

6 (B) For each of the financial statements pre-  
7 pared for the Department of Defense for the fiscal  
8 year in which the report is submitted, a conclusion  
9 regarding the expected reliability of the financial  
10 statement (evaluated on the basis of Office of Man-  
11 agement and Budget guidance on financial state-  
12 ments), together with a discussion of the major defi-  
13 ciencies to be expected in the statement.

14 (C) A summary of the specific sections of the  
15 annual Financial Management Improvement Plan of  
16 the Department of Defense, current as of the date  
17 of the report, that—

18 (i) detail the priorities, milestones, and  
19 measures of success that apply to the prepara-  
20 tion of the financial statements;

21 (ii) detail the planned improvements in the  
22 process for the preparation of financial state-  
23 ments that are to be implemented within 12  
24 months after the date on which the plan is  
25 issued; and

1           (iii) provide an estimate of when each fi-  
2           nancial statement will convey reliable informa-  
3           tion.

4           (3) The annual report shall be submitted to the fol-  
5           lowing:

6           (A) The Committee on Armed Services and the  
7           Committee on Governmental Affairs of the Senate.

8           (B) The Committee on Armed Services and the  
9           Committee on Government Reform of the House of  
10          Representatives.

11          (C) The Director of the Office of Management  
12          and Budget.

13          (D) The Secretary of the Treasury.

14          (E) The Comptroller General of the United  
15          States.

16          (4) The Secretary of Defense shall make a copy of  
17          the annual report available to the Inspector General of the  
18          Department of Defense.

19          (b) MINIMIZATION OF USE OF RESOURCES FOR UN-  
20          RELIABLE FINANCIAL STATEMENTS.—(1) With respect to  
21          each financial statement for a fiscal year that the Sec-  
22          retary of Defense assesses as being expected to be unreli-  
23          able in the annual report under subsection (a), the Under  
24          Secretary of Defense (Comptroller) or the Assistant Sec-  
25          retary (Financial Management and Comptroller) of the

1 military department concerned shall take appropriate ac-  
2 tions to minimize the resources, including contractor sup-  
3 port, that are used to develop, compile, and report the fi-  
4 nancial statement.

5 (2)(A) With the annual budget justifications for the  
6 Department of Defense submitted to Congress each year,  
7 the Under Secretary of Defense (Comptroller) shall sub-  
8 mit, with respect to the fiscal year in which submitted,  
9 the preceding fiscal year, and the following fiscal year, the  
10 following information:

11 (i) An estimate of the resources that the De-  
12 partment of Defense is saving or expects to save as  
13 a result of actions taken and to be taken under  
14 paragraph (1) with respect to the preparation of fi-  
15 nancial statements.

16 (ii) A discussion of how the resources saved as  
17 estimated under clause (i) have been redirected or  
18 are to be redirected from the preparation of financial  
19 statements to the improvement of systems under-  
20 lying financial management within the Department  
21 of Defense and to the improvement of financial man-  
22 agement policies, procedures, and internal controls  
23 within the Department of Defense.

24 (B) The Assistant Secretaries (Financial Manage-  
25 ment and Comptroller) of the Army, Navy, and Air Force

1 shall provide the Under Secretary of Defense (Comp-  
2 troller) with the information necessary for making the es-  
3 timate required by subparagraph (A)(i).

4 (c) INFORMATION TO AUDITORS.—Not later than Oc-  
5 tober 31 of each year, the Under Secretary of Defense  
6 (Comptroller) and the Assistant Secretaries (Financial  
7 Management and Comptroller) of the Army, Navy, and  
8 Air Force shall each provide to the auditors of the finan-  
9 cial statement of that official's department for the fiscal  
10 year ending during the preceding month the official's pre-  
11 liminary management representation, in writing, regard-  
12 ing the expected reliability of the financial statement. The  
13 representation shall be consistent with guidance issued by  
14 the Director of the Office of Management and Budget and  
15 shall include the basis for the reliability assessment stated  
16 in the representation.

17 (d) LIMITATION ON INSPECTOR GENERAL AUDITS.—  
18 (1) On each financial statement that an official asserts  
19 is unreliable under subsection (b) or (c), the Inspector  
20 General of the Department of Defense shall only perform  
21 the audit procedures required by generally accepted gov-  
22 ernment auditing standards consistent with any represen-  
23 tation made by management.

24 (2)(A) With the annual budget justifications for the  
25 Department of Defense submitted to Congress each year,

1 the Under Secretary of Defense (Comptroller) shall sub-  
2 mit, with respect to the fiscal year in which submitted,  
3 the preceding fiscal year, and the following fiscal year, in-  
4 formation which the Inspector General shall report to the  
5 Under Secretary, as follows:

6 (i) An estimate of the resources that the In-  
7 spector General is saving or expects to save as a re-  
8 sult of actions taken and to be taken under para-  
9 graph (1) with respect to the auditing of financial  
10 statements.

11 (ii) A discussion of how the resources saved as  
12 estimated under clause (i) have been redirected or  
13 are to be redirected from the auditing of financial  
14 statements to the oversight and improvement of sys-  
15 tems underlying financial management within the  
16 Department of Defense and to the oversight and im-  
17 provement of financial management policies, proce-  
18 dures, and internal controls within the Department  
19 of Defense.

20 (e) PERIOD OF APPLICABILITY.—(1) Except as pro-  
21 vided in paragraph (2), the requirements of this section  
22 shall apply with respect to financial statements for fiscal  
23 years after fiscal year 2000 and before fiscal year 2006  
24 and to the auditing of those financial statements.

1           (2) If the Secretary of Defense certifies to the Inspec-  
2 tor General of the Department of Defense that the finan-  
3 cial statement for the Department of Defense, or a finan-  
4 cial statement for a component of the Department of De-  
5 fense, for a fiscal year is reliable, this section shall not  
6 apply with respect to that financial statement or to any  
7 successive financial statement for the department or that  
8 component, as the case may be, for any later fiscal year.

9 **SEC. 1007. SENIOR FINANCIAL MANAGEMENT OVERSIGHT**

10                           **COUNCIL AND FINANCIAL FEEDER SYSTEMS**

11                           **COMPLIANCE PROCESS.**

12           (a) ESTABLISHMENT OF SENIOR FINANCIAL MAN-  
13 AGEMENT OVERSIGHT COUNCIL.—(1) The Secretary of  
14 Defense shall establish a Senior Financial Management  
15 Oversight Council.

16           (2) The Council shall be composed of the Under Sec-  
17 retary of Defense (Comptroller), the Under Secretary of  
18 Defense (Acquisition, Technology, and Logistics), the  
19 Under Secretary of Defense (Personnel and Readiness),  
20 and other key managers of the Department of Defense (in-  
21 cluding key managers in Defense Agencies and military  
22 departments) who are designated by the Secretary.

23           (3) The Under Secretary of Defense (Comptroller)  
24 shall be the Chairman of the Council.

1 (b) DUTIES.—The Senior Financial Management  
2 Oversight Council shall have the following duties:

3 (1) To establish a financial and feeder systems  
4 compliance process that ensures that each critical  
5 accounting, financial management, and feeder sys-  
6 tem of the Department of Defense is compliant with  
7 applicable Federal financial management and report-  
8 ing requirements.

9 (2) To develop a management plan for the im-  
10 plementation of the financial and feeder systems  
11 compliance process.

12 (3) To supervise and monitor the actions that  
13 are necessary to implement the management plan, as  
14 approved by the Secretary of Defense.

15 (c) MANAGEMENT PLAN FOR IMPLEMENTATION OF  
16 FINANCIAL FEEDER SYSTEMS COMPLIANCE PROCESS.—  
17 The management plan developed under subsection (b)(2)  
18 shall include among its principal elements at least the fol-  
19 lowing elements:

20 (1) A requirement to establish and maintain a  
21 complete inventory of all critical systems necessary  
22 to produce and compile data for financial state-  
23 ments.

24 (2) A phased process for improving systems  
25 that provides for mapping financial data flow from

1 sources to financial statements before other actions  
2 are initiated.

3 (3) Periodic submittal of status reports to the  
4 Senior Financial Management Oversight Council.

5 (4) Documentation of the completion of each  
6 phase of the improvement of a system.

7 (5) Independent audit at the validation phase  
8 for each critical system.

9 (d) REPORT.—(1) Not later than March 1, 2002, the  
10 Secretary of Defense shall submit to the Committees on  
11 Armed Services of the Senate and the House of Represent-  
12 atives a report on the implementation of the Senior Finan-  
13 cial Management Oversight Council and financial feeder  
14 systems compliance process.

15 (2) The report shall include a discussion of the fol-  
16 lowing matters:

17 (A) The Senior Financial Management Over-  
18 sight Council (or any successor organization),  
19 including—

20 (i) composition;

21 (ii) the roles and responsibilities regarding  
22 supervision and monitoring of the actions nec-  
23 essary to ensure that the critical accounting, fi-  
24 nancial management, and feeder systems of the  
25 Department of Defense comply with Federal fi-

1           nancial management and reporting require-  
2           ments; and

3           (iii) a summary of the actions taken by the  
4           Council to ensure that the systems comply with  
5           such requirements.

6           (B) The principal elements of the management  
7           plan developed under subsection (b)(2) that are  
8           being implemented or that the Secretary plans to  
9           implement, including—

10           (i) a summary of all actions that have been  
11           taken to implement each of the elements; and

12           (ii) a schedule, with specific milestones, for  
13           completing the implementation of each of the  
14           elements.

15           (C) The principal elements of the management  
16           plan that the Secretary does not plan to implement,  
17           together with the reasons for not implementing those  
18           elements.

19 **SEC. 1008. COMBATING TERRORISM READINESS INITIA-**  
20 **TIVES FUND FOR COMBATANT COMMANDS.**

21           (a) **FUNDING FOR INITIATIVES.**—Chapter 6 of title  
22 10, United States Code, is amended by inserting after sec-  
23 tion 166a the following new section:

1 **“§ 166b. Combatant commands: funding for com-**  
2 **bating terrorism readiness initiatives**

3 “(a) COMBATING TERRORISM READINESS INITIA-  
4 TIVES FUND.—From funds made available in any fiscal  
5 year for the budget account in the Department of Defense  
6 known as the ‘Combating Terrorism Readiness Initiatives  
7 Fund’, the Chairman of the Joint Chiefs of Staff may pro-  
8 vide funds to the commander of a combatant command,  
9 upon the request of the commander, or, with respect to  
10 a geographic area or areas not within the area of responsi-  
11 bility of a commander of a combatant command, to an  
12 officer designated by the Chairman of the Joint Chiefs of  
13 Staff for such purpose. The Chairman may provide such  
14 funds for initiating any activity named in subsection (b)  
15 and for maintaining and sustaining the activity for the  
16 fiscal year in which initiated and one additional fiscal year.

17 “(b) AUTHORIZED ACTIVITIES.—Activities for which  
18 funds may be provided under subsection (a) are the fol-  
19 lowing:

20 “(1) Procurement and maintenance of physical  
21 security equipment.

22 “(2) Improvement of physical security sites.

23 “(3) Under extraordinary circumstances—

24 “(A) physical security management plan-  
25 ning;

1           “(B) procurement and support of security  
2 forces and security technicians;

3           “(C) security reviews and investigations  
4 and vulnerability assessments; and

5           “(D) any other activity relating to physical  
6 security.

7           “(c) PRIORITY.—The Chairman of the Joint Chiefs  
8 of Staff, in considering requests for funds in the Com-  
9 bating Terrorism Readiness Initiatives Fund, should give  
10 priority consideration to emergency or emergent unfore-  
11 seen high-priority requirements for combating terrorism.

12          “(d) RELATIONSHIP TO OTHER FUNDING.—Any  
13 amount provided by the Chairman of the Joint Chiefs of  
14 Staff for a fiscal year out of the Combating Terrorism  
15 Readiness Initiatives Fund for an activity referred to in  
16 subsection (b) shall be in addition to amounts otherwise  
17 available for that activity for that fiscal year.

18          “(e) LIMITATION.—Funds may not be provided under  
19 this section for any activity that has been denied author-  
20 ization by Congress.”.

21          (b) CLERICAL AMENDMENT.—The table of sections  
22 at the beginning of such chapter is amended by inserting  
23 after the item relating to section 166a the following new  
24 item:

“166b. Combatant commands: funding for combating terrorism readiness initia-  
tives.”.

## 1           **Subtitle B—Strategic Forces**

### 2   **SEC. 1011. REPEAL OF LIMITATION ON RETIREMENT OR** 3                   **DISMANTLEMENT OF STRATEGIC NUCLEAR** 4                   **DELIVERY SYSTEMS.**

5           Section 1302 of the National Defense Authorization  
6 Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat.  
7 1948) is repealed.

### 8   **SEC. 1012. BOMBER FORCE STRUCTURE.**

9           (a) **LIMITATION.**—None of the funds available to the  
10 Department of Defense for fiscal year 2002 may be obli-  
11 gated or expended for retiring or dismantling any of the  
12 93 B–1B Lancer bombers in service as of June 1, 2001,  
13 or for transferring or reassigning any of those aircraft  
14 from the unit or facility to which assigned as of that date,  
15 until 30 days after the latest of the following:

16           (1) The date on which the President transmits  
17 to Congress the national security strategy report re-  
18 quired in 2001 pursuant to section 108(a)(1) of the  
19 National Security Act of 1947 (50 U.S.C.  
20 404a(a)(1)).

21           (2) The date on which the Secretary of Defense  
22 submits to the Committee on Armed Services of the  
23 Senate and the Committee on Armed Services of the  
24 House of Representatives the Quadrennial Defense  
25 Review (QDR) under section 118 of title 10, United

1 States Code, that is required to be submitted under  
2 that section not later than September 30, 2001.

3 (3) The date on which the Secretary of Defense  
4 submits to the committees referred to in paragraph  
5 (2) a report that sets forth—

6 (A) the changes in national security con-  
7 siderations from those applicable to the air  
8 force bomber studies conducted during 1992,  
9 1995, and 1999 that warrant changes in the  
10 current configuration of the bomber fleet;

11 (B) the role of manned bomber aircraft ap-  
12 propriate to meet the requirements of the na-  
13 tional security strategy referred to in paragraph  
14 (1);

15 (C) the amount and type of bomber force  
16 structure in the United States Air Force appro-  
17 priate to meet the requirements of the national  
18 security strategy referred to in paragraph (1);

19 (D) the results of a comparative analysis  
20 of the cost of basing, maintaining, operating,  
21 and upgrading the B-1B Lancer bomber fleet  
22 in the active force of the Air Force with the  
23 cost of basing, maintaining, operating, and up-  
24 grading the B-1B Lancer bomber fleet in a mix

1 of active and reserve component forces of the  
2 Air Force; and

3 (E) the plans of the Department of De-  
4 fense for assigning new missions to the Na-  
5 tional Guard units that currently fly B-1 air-  
6 craft and for the transition of those units and  
7 their facilities from the current B-1 mission to  
8 such new missions.

9 (4) The date on which the Secretary of Defense  
10 submits to Congress the report on the results of the  
11 Revised Nuclear Posture Review conducted under  
12 section 1042 of the Floyd D. Spence National De-  
13 fense Authorization Act for Fiscal Year 2001 (as en-  
14 acted into law by Public Law 106-398; 114 Stat.  
15 1654A-262), as amended by section 1013 of this  
16 Act.

17 (b) GAO STUDY AND REPORT.—The Comptroller  
18 General of the United States shall conduct a study on the  
19 matters specified in subsection (a)(3). The Comptroller  
20 General shall submit to Congress a report containing the  
21 results of the study not later than January 31, 2002.

22 (c) AMOUNT AND TYPE OF BOMBER FORCE STRUC-  
23 TURE DEFINED.—In this section, the term “amount and  
24 type of bomber force structure” means the required num-  
25 bers of B-2 aircraft, B-52 aircraft, and B-1 aircraft con-

1 sistent with the requirements of the national security  
 2 strategy referred to in subsection (a)(1).

3 **SEC. 1013. ADDITIONAL ELEMENT FOR REVISED NUCLEAR**  
 4 **POSTURE REVIEW.**

5 Section 1041(b) of the Floyd D. Spence National De-  
 6 fense Authorization Act for Fiscal Year 2001 (as enacted  
 7 by Public Law 106–398; 114 Stat. 1654A–262) is amend-  
 8 ed by adding at the end the following new paragraph:

9 “(7) The possibility of deactivating or  
 10 dealerting nuclear warheads or delivery systems im-  
 11 mediately, or immediately after a decision to retire  
 12 any specific warhead, class of warheads, or delivery  
 13 system or systems.”.

14 **Subtitle C—Reporting**  
 15 **Requirements**

16 **SEC. 1021. INFORMATION AND RECOMMENDATIONS ON**  
 17 **CONGRESSIONAL REPORTING REQUIRE-**  
 18 **MENTS APPLICABLE TO THE DEPARTMENT**  
 19 **OF DEFENSE.**

20 (a) COMPILATION OF REPORTING REQUIREMENTS.—  
 21 The Secretary of Defense shall compile a list of all provi-  
 22 sions of law in effect on the date of the enactment of this  
 23 Act that require or request the President, with respect to  
 24 the national defense functions of the Federal Government,  
 25 or any officer or employee of the Department of Defense,

1 to submit a report, notification, or study to Congress or  
2 any committee of Congress. The preceding sentence does  
3 not apply to a provision of law that requires or requests  
4 only one report, notification, or study.

5 (b) SUBMITTAL OF COMPILATION.—(1) The Sec-  
6 retary shall submit the list compiled under subsection (a)  
7 to Congress not later than 60 days after the date of the  
8 enactment of this Act.

9 (2) In submitting the list, the Secretary shall specify  
10 for each provision of law compiled in the list—

11 (A) the date of the enactment of such provision  
12 of law and a current citation in law for such provi-  
13 sion of law; and

14 (B) the Secretary's assessment of the con-  
15 tinuing utility of any report, notification, or study  
16 arising under such provision of law, both for the ex-  
17 ecutive branch and for Congress.

18 (3) The Secretary may also include with the list any  
19 recommendations that the Secretary considers appropriate  
20 for the consolidation of reports, notifications, and studies  
21 under the provisions of law described in subsection (a),  
22 together with a proposal for legislation to implement such  
23 recommendations.

1 **SEC. 1022. REPORT ON COMBATING TERRORISM.**

2 (a) REQUIREMENT FOR REPORT.—The Secretary of  
3 Defense shall submit to Congress a report on the Depart-  
4 ment of Defense policies, plans, and procedures for com-  
5 bating terrorism.

6 (b) CONTENT.—(1) The Secretary shall identify and  
7 explain in the report the Department of Defense structure,  
8 strategy, roles, relationships, and responsibilities for com-  
9 bating terrorism.

10 (2) The report shall also include a discussion of the  
11 following matters:

12 (A) The policies, plans, and procedures relating  
13 to how the Assistant Secretary of Defense for Spe-  
14 cial Operations and Low Intensity Conflict and the  
15 Joint Task Force—Civil Support of the Joint Forces  
16 Command are to perform, and coordinate the per-  
17 formance of, their functions for combating terrorism  
18 with—

19 (i) the various teams in the Department of  
20 Defense that have responsibilities to respond to  
21 acts or threats of terrorism, including—

22 (I) the weapons of mass destruction  
23 civil support teams when operating as the  
24 National Guard under the command of the  
25 Governor of a State, the Governor of Puer-  
26 to Rico, or the Commanding General of the

1 District of Columbia National Guard, as  
2 the case may be; and

3 (II) the weapons of mass destruction  
4 civil support teams when operating as the  
5 Army National Guard of the United States  
6 or the Air National Guard of the United  
7 States under the command of the Presi-  
8 dent;

9 (ii) the Army's Director of Military Sup-  
10 port;

11 (iii) the various teams in other depart-  
12 ments and agencies of the Federal Government  
13 that have responsibilities to respond to acts or  
14 threats of terrorism;

15 (iv) the organizations outside the Federal  
16 Government, including any private sector enti-  
17 ties, that are to function as first responders to  
18 acts or threats of terrorism; and

19 (v) the units and organizations of the re-  
20 serve components of the Armed Forces that  
21 have missions relating to combating terrorism.

22 (B) Any preparedness plans to combat ter-  
23 rorism that are developed for installations of the De-  
24 partment of Defense by the commanders of the in-  
25 stallations and the integration of those plans with

1 the plans of the teams and other organizations de-  
2 scribed in subparagraph (A).

3 (C) The policies, plans, and procedures for  
4 using and coordinating the Joint Staff's integrated  
5 vulnerability assessment teams inside the United  
6 States and outside the United States.

7 (D) The missions of Fort Leonard Wood and  
8 other installations for training units, weapons of  
9 mass destruction civil support teams and other  
10 teams, and individuals in combating terrorism.

11 (3) The report shall also include the Secretary's views  
12 on the appropriate number and missions of the Depart-  
13 ment of Defense teams referred to in paragraph (2)(A)(i).

14 (c) TIME FOR SUBMITTAL.—The Secretary shall sub-  
15 mit the report under this section not later than 180 days  
16 after the date of the enactment of this Act.

17 **SEC. 1023. REVISED REQUIREMENT FOR CHAIRMAN OF THE**  
18 **JOINT CHIEFS OF STAFF TO ADVISE SEC-**  
19 **RETARY OF DEFENSE ON THE ASSIGNMENT**  
20 **OF ROLES AND MISSIONS TO THE ARMED**  
21 **FORCES.**

22 (a) ASSESSMENT DURING DEFENSE QUADRENNIAL  
23 REVIEW.—Subsection 118(e) of title 10, United States  
24 Code, is amended—

1           (1) by inserting “(1)” after “(e) CJCS RE-  
2       VIEW.—”; and

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

5       “(2) The Chairman shall include in the assessment  
6       submitted under paragraph (1), the Chairman’s assess-  
7       ment of the assignment of functions (or roles and mis-  
8       sions) to the armed forces together with any recommenda-  
9       tions for changes in assignment that the Chairman con-  
10      siders necessary to achieve the maximum efficiency of the  
11      armed forces. In making the assessment, the Chairman  
12      should consider (among other matters) the following:

13           “(A) Unnecessary duplication of effort among  
14      the armed forces.

15           “(B) Changes in technology that can be applied  
16      effectively to warfare.”.

17      (b) REPEAL OF REQUIREMENT FOR TRIENNIAL RE-  
18      PORT ON ASSIGNMENT OF ROLES AND MISSIONS.—Sec-  
19      tion 153 of such title is amended by striking subsection  
20      (b).

21      (c) CONFORMING AMENDMENT.—Subsection (a) of  
22      such section 153 is amended by striking “(a) PLANNING;  
23      ADVICE; POLICY FORMULATION.—”.

1 **SEC. 1024. REVISION OF DEADLINE FOR ANNUAL REPORT**  
2 **ON COMMERCIAL AND INDUSTRIAL ACTIVI-**  
3 **TIES.**

4 Section 2461(g) of title 10, United States Code, is  
5 amended by striking “February 1” and inserting “June  
6 30”.

7 **SEC. 1025. PRODUCTION AND ACQUISITION OF VACCINES**  
8 **FOR DEFENSE AGAINST BIOLOGICAL WAR-**  
9 **FARE AGENTS.**

10 (a) GOVERNMENT FACILITY.—(1) Subject to the  
11 availability of funds appropriated and authorized to be ap-  
12 propriated for such purposes, the Secretary of Defense  
13 may—

14 (A) design, construct, and operate on an instal-  
15 lation of the Department of Defense a facility for  
16 the production of vaccines described in subsection  
17 (b)(1);

18 (B) qualify and validate the facility for the pro-  
19 duction of vaccines in accordance with the require-  
20 ments of the Food and Drug Administration; and

21 (C) contract with a private sector source for the  
22 production of vaccines in that facility.

23 (2) The Secretary shall use competitive procedures  
24 under chapter 137 of title 10, United States Code, to enter  
25 into contracts to carry out subparagraphs (A) and (C) of  
26 paragraph (1).

1 (b) PLAN.—(1) The Secretary of Defense shall de-  
2 velop a long-range plan to provide for the production and  
3 acquisition of vaccines to meet the requirements of the De-  
4 partment of Defense to prevent or mitigate the physio-  
5 logical effects of exposure to biological warfare agents.

6 (2) The plan shall include the following:

7 (A) An evaluation of the need for one or more  
8 vaccine production facilities that are specifically  
9 dedicated to meeting the requirements of the De-  
10 partment of Defense and other national interests.

11 (B) An evaluation of the alternative options for  
12 the means of production of the vaccines, including—

13 (i) use of public facilities, private facilities,  
14 or a combination of public and private facilities;  
15 and

16 (ii) management and operation of the fa-  
17 cilities by the Federal Government, one or more  
18 private persons, or a combination of the Fed-  
19 eral Government and one or more private per-  
20 sons.

21 (C) The means for producing the vaccines that  
22 the Secretary determines most appropriate.

23 (3) The Secretary shall ensure that the plan is con-  
24 sistent with the requirement for safe and effective vaccines  
25 approved by the Food and Drug Administration.

1 (4) In preparing the plan, the Secretary shall—

2 (A) consider and, as the Secretary determines  
3 appropriate, include the information compiled and  
4 the analyses developed in meeting the reporting re-  
5 quirements set forth in sections 217 and 218 of the  
6 Floyd D. Spence National Defense Authorization  
7 Act for Fiscal Year 2001 (as enacted into law by  
8 Public Law 106–398; 114 Stat. 1654A–36 and  
9 1654A–37); and

10 (B) consult with the heads of other appropriate  
11 departments and agencies of the Federal Govern-  
12 ment.

13 (c) REPORT.—Not later than February 1, 2002, the  
14 Secretary of Defense shall submit to the congressional de-  
15 fense committees a report on the plan for the production  
16 of vaccines required by subsection (b). The report shall  
17 include, at a minimum, the plan and the following matters:

18 (1) A description of the policies and require-  
19 ments of the Department of Defense regarding ac-  
20 quisition and use of the vaccines.

21 (2) The estimated schedule for the acquisition  
22 of the vaccines in accordance with the plan.

23 (3) A discussion of the options considered for  
24 production of the vaccines under subsection  
25 (b)(2)(B).

1           (4) The Secretary’s recommendations for the  
 2           most appropriate course of action to meet the re-  
 3           quirements described in subsection (b)(1), together  
 4           with the justification for the recommendations and  
 5           the long-term cost of implementing the recommenda-  
 6           tions.

7   **SEC. 1026. EXTENSION OF TIMES FOR COMMISSION ON THE**  
 8                           **FUTURE OF THE UNITED STATES AEROSPACE**  
 9                           **INDUSTRY TO REPORT AND TO TERMINATE.**

10          (a) SUBMITTAL OF REPORT.—Subsection (d) of sec-  
 11          tion 1092 of the Floyd D. Spence National Defense Au-  
 12          thorization Act for Fiscal Year 2001 (as enacted into law  
 13          by Public Law 106–398; 114 Stat. 1654A–302) is amend-  
 14          ed by striking “Not later than March 1, 2002,” and in-  
 15          serting “Not later than one year after the date of its first  
 16          meeting.”.

17          (b) TERMINATION.—Subsection (g) of such section is  
 18          amended by striking “30 days” and inserting “60 days”.

19                           **Subtitle D—Armed Forces**  
 20                           **Retirement Home**

21   **SEC. 1041. AMENDMENT OF ARMED FORCES RETIREMENT**  
 22                           **HOME ACT OF 1991.**

23          Except as otherwise expressly provided, whenever in  
 24          this subtitle an amendment or repeal is expressed in terms  
 25          of an amendment to, or a repeal of, a section or other

1 provision, the reference shall be considered to be made to  
2 a section or other provision of the Armed Forces Retirement  
3 Home Act of 1991 (title XV of Public Law 101–  
4 510; 24 U.S.C. 401 et seq.).

5 **SEC. 1042. DEFINITIONS.**

6 Section 1502 (24 U.S.C. 401) is amended—

7 (1) by striking paragraphs (1), (2), (3), (4),  
8 and (5), and inserting the following:

9 “(1) The term ‘Retirement Home’ includes the  
10 institutions established under section 1511, as fol-  
11 lows:

12 “(A) The Armed Forces Retirement  
13 Home—Washington.

14 “(B) The Armed Forces Retirement  
15 Home—Gulfport.

16 “(2) The term ‘Local Board’ means a Local  
17 Board of Trustees established under section 1516.

18 “(3) The terms ‘Armed Forces Retirement  
19 Home Trust Fund’ and ‘Fund’ mean the Armed  
20 Forces Retirement Home Trust Fund established  
21 under section 1519(a).”;

22 (2) by redesignating paragraphs (6), (7), and  
23 (8) as paragraphs (4), (5), and (6); and

24 (3) in paragraph (5), as so redesignated—

1 (A) in subparagraph (C), by striking “,  
2 Manpower and Personnel” and inserting “for  
3 Personnel”; and

4 (B) in subparagraph (D), by striking “with  
5 responsibility for personnel matters” and insert-  
6 ing “for Manpower and Reserve Affairs”.

7 **SEC. 1043. REVISION OF AUTHORITY ESTABLISHING THE**  
8 **ARMED FORCES RETIREMENT HOME.**

9 Section 1511 (24 U.S.C. 411) is amended to read as  
10 follows:

11 **“SEC. 1511. ESTABLISHMENT OF THE ARMED FORCES RE-**  
12 **TIREMENT HOME.**

13 “(a) INDEPENDENT ESTABLISHMENT.—The Armed  
14 Forces Retirement Home is an independent establishment  
15 in the executive branch.

16 “(b) PURPOSE.—The purpose of the Retirement  
17 Home is to provide, through the Armed Forces Retirement  
18 Home—Washington and the Armed Forces Retirement  
19 Home—Gulfport, residences and related services for cer-  
20 tain retired and former members of the Armed Forces.

21 “(c) FACILITIES.—(1) Each facility of the Retire-  
22 ment Home referred to in paragraph (2) is a separate es-  
23 tablishment of the Retirement Home.

24 “(2) The United States Soldiers’ and Airmen’s Home  
25 is hereby redesignated as the Armed Forces Retirement

1 Home—Washington. The Naval Home is hereby redesi-  
2 gated as the Armed Forces Retirement Home—Gulfport.

3 “(d) OPERATION.—(1) The Chief Operating Officer  
4 of the Armed Forces Retirement Home is the head of the  
5 Retirement Home. The Chief Operating Officer is subject  
6 to the authority, direction, and control of the Secretary  
7 of Defense.

8 “(2) Each facility of the Retirement Home shall be  
9 maintained as a separate establishment of the Retirement  
10 Home for administrative purposes and shall be under the  
11 authority, direction, and control of the Director of that  
12 facility. The Director of each facility of the Retirement  
13 Home is subject to the authority, direction, and control  
14 of the Chief Operating Officer.

15 “(e) PROPERTY AND FACILITIES.—(1) The Retire-  
16 ment Home shall include such property and facilities as  
17 may be acquired under paragraph (2) or accepted under  
18 section 1515(f) for inclusion in the Retirement Home.

19 “(2) The Secretary of Defense may acquire, for the  
20 benefit of the Retirement Home, property and facilities  
21 for inclusion in the Retirement Home.

22 “(3) The Secretary of Defense may dispose of any  
23 property of the Retirement Home, by sale, lease, or other-  
24 wise, that the Secretary determines is excess to the needs  
25 of the Retirement Home. The proceeds from such a dis-

1 disposal of property shall be deposited in the Armed Forces  
2 Retirement Home Trust Fund. No such disposal of real  
3 property shall be effective earlier than 120 days after the  
4 date on which the Secretary transmits a notification of  
5 the proposed disposal to the Committees on Armed Serv-  
6 ices of the Senate and the House of Representatives.

7       “(f) DEPARTMENT OF DEFENSE SUPPORT.—The  
8 Secretary of Defense may make available from the Depart-  
9 ment of Defense to the Retirement Home, on a non-  
10 reimbursable basis, administrative support and office serv-  
11 ices, legal and policy planning assistance, access to inves-  
12 tigative facilities of the Inspector General of the Depart-  
13 ment of Defense and of the military departments, and any  
14 other support necessary to enable the Retirement Home  
15 to carry out its functions under this title.

16       “(g) ACCREDITATION.—The Chief Operating Officer  
17 shall endeavor to secure for each facility of the Retirement  
18 Home accreditation by a nationally recognized civilian ac-  
19 crediting organization, such as the Continuing Care Ac-  
20 creditation Commission and the Joint Commission for Ac-  
21 creditation of Health Organizations.

22       “(h) ANNUAL REPORT.—The Secretary of Defense  
23 shall transmit to Congress an annual report on the finan-  
24 cial and other affairs of the Retirement Home for each  
25 fiscal year.”.

1 **SEC. 1044. CHIEF OPERATING OFFICER.**

2 (a) ESTABLISHMENT AND AUTHORITY OF POSI-  
3 TION.—Section 1515 (24 U.S.C. 415) is amended to read  
4 as follows:

5 **“SEC. 1515. CHIEF OPERATING OFFICER.**

6 “(a) APPOINTMENT.—(1) The Secretary of Defense  
7 shall appoint the Chief Operating Officer of the Retire-  
8 ment Home. The Secretary of Defense may make the ap-  
9 pointment without regard to the provisions of title 5,  
10 United States Code, governing appointments in the civil  
11 service.

12 “(2) The Chief Operating Officer shall serve at the  
13 pleasure of the Secretary of Defense.

14 “(3) The Secretary of Defense shall evaluate the per-  
15 formance of the Chief Operating Officer at least once each  
16 year.

17 “(b) QUALIFICATIONS.—To qualify for appointment  
18 as the Chief Operating Officer, a person shall—

19 “(1) be a continuing care retirement community  
20 professional;

21 “(2) have appropriate leadership and manage-  
22 ment skills; and

23 “(3) have experience and expertise in the oper-  
24 ation and management of retirement homes and in  
25 the provision of long-term medical care for older per-  
26 sons.

1       “(c) RESPONSIBILITIES.—(1) The Chief Operating  
2 Officer shall be responsible to the Secretary of Defense  
3 for the overall direction, operation, and management of  
4 the Retirement Home and shall report to the Secretary  
5 on those matters.

6       “(2) The Chief Operating Officer shall supervise the  
7 operation and administration of the Armed Forces Retire-  
8 ment Home—Washington and the Armed Forces Retire-  
9 ment Home—Gulfport, including the Local Boards of  
10 those facilities.

11       “(3) The Chief Operating Officer shall perform the  
12 following duties:

13           “(A) Issue, and ensure compliance with, appro-  
14 priate rules for the operation of the Retirement  
15 Home.

16           “(B) Periodically visit, and inspect the oper-  
17 ation of, the facilities of the Retirement Home.

18           “(C) Periodically examine and audit the ac-  
19 counts of the Retirement Home.

20           “(D) Establish any advisory body or bodies that  
21 the Chief Operating Officer considers to be nec-  
22 essary.

23       “(d) COMPENSATION.—(1) The Secretary of Defense  
24 may prescribe the pay of the Chief Operating Officer with-  
25 out regard to the provisions of title 5, United States Code,

1 governing classification and pay, except that the basic pay,  
2 including locality pay, of the Chief Operating Officer may  
3 not exceed the limitations established in section 5307 of  
4 such title.

5 “(2) In addition to basic pay and any locality pay  
6 prescribed for the Chief Operating Officer, the Secretary  
7 may award the Chief Operating Officer, not more than  
8 once each year, a bonus based on the performance of the  
9 Chief Operating Officer for the year. The Secretary shall  
10 prescribe the amount of any such bonus.

11 “(e) ADMINISTRATIVE STAFF.—(1) The Chief Oper-  
12 ating Officer may, subject to the approval of the Secretary  
13 of Defense, appoint a staff to assist in the performance  
14 of the Chief Operating Officer’s duties in the overall ad-  
15 ministration of the Retirement Home.

16 “(2) The Chief Operating Officer shall prescribe the  
17 rates of pay applicable to the members of the staff ap-  
18 pointed under paragraph (1), without regard to the provi-  
19 sions of title 5, United States Code, regarding classifica-  
20 tion and pay, except that—

21 “(A) a staff member who is a member of the  
22 Armed Forces on active duty or who is a full-time  
23 officer or employee of the United States may not re-  
24 ceive additional pay by reason of service on the ad-  
25 ministrative staff; and

1           “(B) the limitations in section 5373 of title 5,  
2           United States Code, relating to pay set by adminis-  
3           trative action, shall apply to the rates of pay pre-  
4           scribed under this paragraph.

5           “(f) ACCEPTANCE OF GIFTS.—(1) The Chief Oper-  
6           ating Officer may accept gifts of money, property, and fa-  
7           cilities on behalf of the Retirement Home.

8           “(2) Monies received as gifts, or realized from the  
9           disposition of property and facilities received as gifts, shall  
10          be deposited in the Armed Forces Retirement Home Trust  
11          Fund.”.

12          (b) TRANSFER OF AUTHORITIES.—(1) The following  
13          provisions are amended by striking “Retirement Home  
14          Board” each place it appears and inserting “Chief Oper-  
15          ating Officer”:

16                (A) Section 1512 (24 U.S.C. 412), relating to  
17                eligibility and acceptance for residence in the Armed  
18                Forces Retirement Home.

19                (B) Section 1513(a) (24 U.S.C. 412(a)), relat-  
20                ing to services provided to residents of the Armed  
21                Forces Retirement Home.

22                (C) Section 1518(e) (24 U.S.C. 418(e)), relat-  
23                ing to inspection of the Armed Forces Retirement  
24                Home.

1           (2) Section 1519(e) (24 U.S.C. 419(e)), relating to  
2 authority to invest funds in the Armed Forces Retirement  
3 Home Trust Fund, is amended by striking “Director” and  
4 inserting “Chief Operating Officer”.

5           (3) Section 1521(a) (24 U.S.C. 421(a)), relating to  
6 payment of residents for services, is amended by striking  
7 “Chairman of the Armed Forces Retirement Board” and  
8 inserting “Chief Operating Officer”.

9           (4) Section 1522 (24 U.S.C. 422), relating to author-  
10 ity to accept certain uncompensated services, is  
11 amended—

12           (A) in subsection (a)—

13                 (i) by striking “Chairman of the Retire-  
14 ment Home Board or the Director of each es-  
15 tablishment” and inserting “Chief Operating  
16 Officer or the Director of a facility”; and

17                 (ii) by striking “unless” and all that fol-  
18 lows through “Retirement Home Board”;

19           (B) in subsection (b)(1)—

20                 (i) by striking “Chairman of the Retire-  
21 ment Home Board or the Director of the estab-  
22 lishment” and inserting “Chief Operating Offi-  
23 cer or the Director of a facility”; and

24                 (ii) by inserting “offering the services”  
25 after “notify the person”;

1 (C) in subsection (b)(2), by striking “Chair-  
2 man” and inserting “Chief Operating Officer”;

3 (D) in subsection (c), by striking “Chairman of  
4 the Retirement Home Board or the Director of an  
5 establishment” and inserting “Chief Operating Offi-  
6 cer or the Director of a facility”; and

7 (E) in subsection (e)—

8 (i) by striking “Chairman of the Retire-  
9 ment Board or the Director of the establish-  
10 ment” in the first sentence and inserting “Chief  
11 Operating Officer or the Director of a facility”;  
12 and

13 (ii) by striking “Chairman” in the second  
14 sentence and inserting “Chief Operating Offi-  
15 cer”.

16 (5) Section 1523(b) (24 U.S.C. 423(b)), relating to  
17 preservation of historic buildings and grounds at the  
18 Armed Forces Retirement Home—Washington, is amend-  
19 ed by striking “Chairman of the Retirement Home Board”  
20 and inserting “Chief Operating Officer”.

21 **SEC. 1045. RESIDENTS OF RETIREMENT HOME.**

22 (a) REPEAL OF REQUIREMENT OF RESIDENT TO RE-  
23 APPLY AFTER SUBSTANTIAL ABSENCE.—Subsection (e)  
24 of section 1512 (24 U.S.C. 412) is repealed.

1 (b) FEES PAID BY RESIDENTS.—Section 1514 (24  
2 U.S.C. 414) is amended to read as follows:

3 **“SEC. 1514. FEES PAID BY RESIDENTS.**

4 “(a) MONTHLY FEES.—The Director of each facility  
5 of the Retirement Home shall collect a monthly fee from  
6 each resident of that facility.

7 “(b) DEPOSIT OF FEES.—The Directors shall deposit  
8 fees collected under subsection (a) in the Armed Forces  
9 Retirement Home Trust Fund.

10 “(c) FIXING FEES.—(1) The Chief Operating Offi-  
11 cer, with the approval of the Secretary of Defense, shall  
12 from time to time prescribe the fees required by subsection  
13 (a). Changes to such fees shall be based on the financial  
14 needs of the Retirement Home and the ability of the resi-  
15 dents to pay. A change of a fee may not take effect until  
16 120 days after the Secretary of Defense transmits a notifi-  
17 cation of the change to the Committees on Armed Services  
18 of the Senate and the House of Representatives.

19 “(2) The fee shall be fixed as a percentage of the  
20 monthly income and monthly payments (including Federal  
21 payments) received by a resident. The fee shall be subject  
22 to a limitation on maximum monthly amount. The per-  
23 centage shall be the same for each facility of the Retire-  
24 ment Home. The Secretary of Defense may make any ad-

1 justment in a percentage or limitation on maximum  
2 amount that the Secretary determines appropriate.

3 “(d) TRANSITIONAL FEE STRUCTURES.—(1) Until  
4 different fees are prescribed and take effect under sub-  
5 section (c), the percentages and limitations on maximum  
6 monthly amount that are applicable to fees charged resi-  
7 dents of the Retirement Home are (subject to any adjust-  
8 ment that the Secretary of Defense determines appro-  
9 priate) as follows:

10 “(A) For months beginning before January 1,  
11 2002—

12 “(i) for a permanent health care resident,  
13 65 percent (without limitation on maximum  
14 monthly amount); and

15 “(ii) for a resident who is not a permanent  
16 health care resident, 40 percent (without limita-  
17 tion on maximum monthly amount).

18 “(B) For months beginning after December 31,  
19 2001—

20 “(i) for an independent living resident, 35  
21 percent, but not to exceed \$1,000 each month;

22 “(ii) for an assisted living resident, 40 per-  
23 cent, but not to exceed \$1,500 each month; and

24 “(iii) for a long-term care resident, 65 per-  
25 cent, but not to exceed \$2,500 each month.

1       “(2) Notwithstanding the limitations on maximum  
2 monthly amount prescribed under subsection (c) or set  
3 forth in paragraph (1)(B), until an independent living  
4 resident or assisted living resident of the Armed Forces  
5 Retirement Home—Gulfport occupies a renovated room at  
6 that facility, as determined by the Secretary of Defense,  
7 the limitation on maximum monthly amount applicable to  
8 the resident for months beginning after December 31,  
9 2001, shall be—

10           “(A) in the case of an independent living resi-  
11 dent, \$800; and

12           “(B) in the case of an assisted living resident,  
13 \$1,300.

14 **SEC. 1046. LOCAL BOARDS OF TRUSTEES.**

15       Section 1516 (24 U.S.C. 416) is amended to read as  
16 follows:

17 **“SEC. 1516. LOCAL BOARDS OF TRUSTEES.**

18       “(a) ESTABLISHMENT.—Each facility of the Retire-  
19 ment Home shall have a Local Board of Trustees.

20       “(b) DUTIES.—The Local Board for a facility shall  
21 serve in an advisory capacity to the Director of the facility  
22 and to the Chief Operating Officer.

23       “(c) COMPOSITION.—(1) The Local Board for a facil-  
24 ity shall consist of at least 11 members who (except as  
25 otherwise specifically provided) shall be appointed by the

1 Secretary of Defense in consultation with each of the Sec-  
2 retaries of the military departments concerned. At least  
3 one member of the Local Board shall have a perspective  
4 that is oriented toward the Retirement Home overall. The  
5 Local Board for a facility shall consist of the following  
6 members:

7           “(A) One member who is a civilian expert in  
8           nursing home or retirement home administration  
9           and financing from the geographical area of the fa-  
10          cility.

11           “(B) One member who is a civilian expert in  
12          gerontology from the geographical area of the facil-  
13          ity.

14           “(C) One member who is a service expert in fi-  
15          nancial management.

16           “(D) One representative of the Department of  
17          Veterans Affairs regional office nearest in proximity  
18          to the facility, who shall be designated by the Sec-  
19          retary of Veterans Affairs.

20           “(E) One representative of the resident advi-  
21          sory committee or council of the facility, who shall  
22          be a nonvoting member.

23           “(F) One enlisted representative of the Serv-  
24          ices’ Retiree Advisory Council.

1           “(G) The senior noncommissioned officer of one  
2 of the Armed Forces.

3           “(H) One senior representative of the military  
4 hospital nearest in proximity to the facility.

5           “(I) One senior judge advocate from one of the  
6 Armed Forces.

7           “(J) The Director of the facility, who shall be  
8 a nonvoting member.

9           “(K) One senior representative of one of the  
10 chief personnel officers of the Armed Forces.

11           “(L) Other members designated by the Sec-  
12 retary of Defense (if the Local Board is to have  
13 more than 11 members).

14           “(2) The Secretary of Defense shall designate one  
15 member of a Local Board to serve as the chairman of the  
16 Local Board at the pleasure of the Secretary of Defense.

17           “(d) TERMS.—(1) Except as provided in subsections  
18 (e), (f), and (g), the term of office of a member of a Local  
19 Board shall be five years.

20           “(2) Unless earlier terminated by the Secretary of  
21 Defense, a person may continue to serve as a member of  
22 the Local Board after the expiration of the member’s term  
23 until a successor is appointed or designated, as the case  
24 may be.

1       “(e) EARLY EXPIRATION OF TERM.—A member of  
2 a Local Board who is a member of the Armed Forces or  
3 an employee of the United States serves as a member of  
4 the Local Board only for as long as the member is as-  
5 signed to or serving in a position for which the duties in-  
6 clude the duty to serve as a member of the Local Board.

7       “(f) VACANCIES.—(1) A vacancy in the membership  
8 of a Local Board shall be filled in the manner in which  
9 the original appointment or designation was made, as the  
10 case may be.

11       “(2) A member appointed or designated to fill a va-  
12 cancy occurring before the end of the term of the prede-  
13 cessor of the member shall be appointed or designated,  
14 as the case may be, for the remainder of the term for  
15 which the predecessor was appointed.

16       “(3) A vacancy in a Local Board shall not affect its  
17 authority to perform its duties.

18       “(g) EARLY TERMINATION.—The Secretary of De-  
19 fense may terminate the appointment of a member of a  
20 Local Board before the expiration of the member’s term  
21 for any reason that the Secretary determines appropriate.

22       “(h) COMPENSATION.—(1) Except as provided in  
23 paragraph (2), a member of a Local Board shall—

24               “(A) be provided a stipend consistent with the  
25       daily government consultant fee for each day on

1 which the member is engaged in the performance of  
2 services for the Local Board; and

3 “(B) while away from home or regular place of  
4 business in the performance of services for the Local  
5 Board, be allowed travel expenses (including per  
6 diem in lieu of subsistence) in the same manner as  
7 a person employed intermittently in Government  
8 under sections 5701 through 5707 of title 5, United  
9 States Code.

10 “(2) A member of a Local Board who is a member  
11 of the Armed Forces on active duty or a full-time officer  
12 or employee of the United States shall receive no addi-  
13 tional pay by reason of serving a member of a Local  
14 Board.”.

15 **SEC. 1047. DIRECTORS, DEPUTY DIRECTORS, AND STAFF OF**  
16 **FACILITIES.**

17 Section 1517 (24 U.S.C. 417) is amended to read as  
18 follows:

19 **“SEC. 1517. DIRECTORS, DEPUTY DIRECTORS, AND STAFF**  
20 **OF FACILITIES.**

21 “(a) **APPOINTMENT.**—The Secretary of Defense shall  
22 appoint a Director and a Deputy Director for each facility  
23 of the Retirement Home.

24 “(b) **DIRECTOR.**—The Director of a facility shall—

1           “(1) be a member of the Armed Forces serving  
2           on active duty in a grade above lieutenant colonel or  
3           commander;

4           “(2) have appropriate leadership and manage-  
5           ment skills; and

6           “(3) be required to pursue a course of study to  
7           receive certification as a retirement facilities director  
8           by an appropriate civilian certifying organization, if  
9           the Director is not so certified at the time of ap-  
10          pointment.

11          “(c) DUTIES OF DIRECTOR.—(1) The Director of a  
12          facility shall be responsible for the day-to-day operation  
13          of the facility, including the acceptance of applicants to  
14          be residents of that facility.

15          “(2) The Director of a facility shall keep accurate  
16          and complete records of the facility.

17          “(d) DEPUTY DIRECTOR.—(1) The Deputy Director  
18          of a facility shall—

19                 “(A) be a civilian with experience as a con-  
20                 tinuing care retirement community professional; and

21                 “(B) have appropriate leadership and manage-  
22                 ment skills.

23          “(2) The Deputy Director of a facility shall—

1           “(A) be appointed without regard to the provi-  
2           sions of title 5, United States Code, governing ap-  
3           pointments in the competitive service; and

4           “(B) serve at the pleasure of the Secretary of  
5           Defense, without regard to the provisions of title 5,  
6           United States Code.

7           “(e) DUTIES OF DEPUTY DIRECTOR.—The Deputy  
8           Director of a facility shall, under the authority, direction,  
9           and control of the Director of the facility, perform such  
10          duties as the Director may assign.

11          “(f) STAFF.—(1) The Director of a facility may, sub-  
12          ject to the approval of the Chief Operating Officer, ap-  
13          point and prescribe the pay of such principal staff as the  
14          Director considers appropriate to assist the Director in op-  
15          erating the facility.

16          “(2) The principal staff of a facility shall include per-  
17          sons with experience and expertise in the operation and  
18          management of retirement homes and in the provision of  
19          long-term medical care for older persons.

20          “(3) The Director of a facility may exercise the au-  
21          thority under paragraph (1) without regard to the provi-  
22          sions of title 5, United States Code, governing appoint-  
23          ments in the competitive service, classification, and pay,  
24          except that the limitations in section 5373 of such title

1 (relating to pay set by administrative action) shall apply  
2 to the rates of pay prescribed under this paragraph.

3 “(g) ANNUAL EVALUATION OF DIRECTORS.—(1) The  
4 Chief Operating Officer shall evaluate the performance of  
5 each of the Directors of the facilities of the Retirement  
6 Home each year.

7 “(2) The Chief Operating Officer shall submit to the  
8 Secretary of Defense any recommendations regarding a  
9 Director that the Chief Operating Officer determines ap-  
10 propriate taking into consideration the annual evalua-  
11 tion.”.

12 **SEC. 1048. DISPOSITION OF EFFECTS OF DECEASED PER-**  
13 **SONS AND UNCLAIMED PROPERTY.**

14 (a) LEGAL REPRESENTATION FOR RETIREMENT  
15 HOME.—Subsection (b)(2)(A) of section 1520 (24 U.S.C.  
16 420) is amended by inserting “who is a full-time officer  
17 or employee of the United States or a member of the  
18 Armed Forces on active duty” after “may designate an  
19 attorney”.

20 (b) CORRECTION OF REFERENCE.—Subsection  
21 (b)(1)(B) of such section is amended by inserting “Armed  
22 Forces” before “Retirement Home Trust Fund”.

23 **SEC. 1049. TRANSITIONAL PROVISIONS.**

24 Part B is amended by striking sections 1531, 1532,  
25 and 1533 and inserting the following:

1 **“SEC. 1531. TEMPORARY CONTINUATION OF ARMED**  
2 **FORCES RETIREMENT HOME BOARD.**

3 “Until the Secretary of Defense appoints the first  
4 Chief Operating Officer after the enactment of the Na-  
5 tional Defense Authorization Act for Fiscal Year 2002,  
6 the Armed Forces Retirement Home Board, as constituted  
7 on the day before the date of the enactment of that Act,  
8 shall continue to serve and shall perform the duties of the  
9 Chief Operating Officer.

10 **“SEC. 1532. TEMPORARY CONTINUATION OF DIRECTOR OF**  
11 **THE ARMED FORCES RETIREMENT HOME—**  
12 **WASHINGTON.**

13 “The person serving as the Director of the Armed  
14 Forces Retirement Home—Washington on the day before  
15 the enactment of the National Defense Authorization Act  
16 for Fiscal Year 2002 may continue to serve as the Direc-  
17 tor of that facility until April 2, 2002.

18 **“SEC. 1533. TEMPORARY CONTINUATION OF INCUMBENT**  
19 **DEPUTY DIRECTORS.**

20 “A person serving as the Deputy Director of a facility  
21 of the Retirement Home on the day before the enactment  
22 of the National Defense Authorization Act for Fiscal Year  
23 2002 may continue to serve, at the pleasure of the Sec-  
24 retary of Defense, as the Deputy Director until the date  
25 on which a Deputy Director is appointed for that facility  
26 under section 1517, except that the service in that position

1 may not continue under this section after December 31,  
2 2004.”.

3 **SEC. 1050. CONFORMING AND CLERICAL AMENDMENTS**  
4 **AND REPEALS OF OBSOLETE PROVISIONS.**

5 (a) CONFORMING AMENDMENTS.—(1) Section  
6 1513(b) (24 U.S.C. 413(b)), relating to services provided  
7 to residents of the Armed Forces Retirement Home, is  
8 amended by striking “maintained as a separate establish-  
9 ment” in the second sentence.

10 (2) The heading for section 1519 (24 U.S.C. 419)  
11 is amended to read as follows:

12 **“SEC. 1519. ARMED FORCES RETIREMENT HOME TRUST**  
13 **FUND.”.**

14 (3) Section 1520 (24 U.S.C. 420), relating to disposi-  
15 tion of effects of deceased persons and unclaimed prop-  
16 erty, is amended—

17 (A) in subsection (a), by striking “each facility  
18 that is maintained as a separate establishment” and  
19 inserting “a facility”;

20 (B) in subsection (b)(2)(A), by striking “main-  
21 tained as a separate establishment”; and

22 (C) in subsection (e), by striking “Directors”  
23 and inserting “Director of the facility”.

24 (4)(A) Section 1523 (24 U.S.C. 423), relating to  
25 preservation of historic buildings and grounds at the



1 1991 (Public Law 101–510; 104 Stat. 1722) is amended  
 2 by inserting after the heading for such title the following:

“Sec. 1501. Short title.

“Sec. 1502. Definitions.

“PART A—ESTABLISHMENT AND OPERATION OF RETIREMENT HOME

“Sec. 1511. Establishment of the Armed Forces Retirement Home.

“Sec. 1512. Residents of Retirement Home.

“Sec. 1513. Services provided residents.

“Sec. 1514. Fees paid by residents.

“Sec. 1515. Chief Operating Officer.

“Sec. 1516. Local Boards of Trustees.

“Sec. 1517. Directors, Deputy Directors, and staff of facilities.

“Sec. 1518. Inspection of Retirement Home.

“Sec. 1519. Armed Forces Retirement Home Trust Fund.

“Sec. 1520. Disposition of effects of deceased persons; unclaimed property.

“Sec. 1521. Payment of residents for services.

“Sec. 1522. Authority to accept certain uncompensated services.

“Sec. 1523. Preservation of historic buildings and grounds at the Armed  
 Forces Retirement Home—Washington.

“PART B—TRANSITIONAL PROVISIONS

“Sec. 1531. Temporary Continuation of Armed Forces Retirement Home  
 Board.

“Sec. 1532. Temporary Continuation of Director of the Armed Forces Retirement  
 Home—Washington.

“Sec. 1533. Temporary Continuation of Incumbent Deputy Directors.”.

3 **SEC. 1051. AMENDMENTS OF OTHER LAWS.**

4 (a) **EMPLOYEE PERFORMANCE APPRAISALS.**—Sec-  
 5 tion 4301(2) of title 5, United States Code, is amended—

6 (1) by striking “or” at the end of subparagraph  
 7 (G);

8 (2) by striking “and” at the end of subpara-  
 9 graph (H) and inserting “or”; and

10 (3) by inserting at the end the following new  
 11 subparagraph:

1           “(I) the Chief Operating Officer and the  
2           Deputy Directors of the Armed Forces Retirement  
3           Home; and”.

4           (b) EXCLUSION OF CERTAIN OFFICERS FROM CER-  
5 TAIN LIMITATIONS APPLICABLE TO GENERAL AND FLAG  
6 OFFICERS ON ACTIVE DUTY.—(1) Section 525 of title 10,  
7 United States Code, is amended by adding at the end the  
8 following new subsection:

9           “(e) An officer while serving as a Director of the  
10 Armed Forces Retirement Home, if serving in the grade  
11 of major general or rear admiral, is in addition to the  
12 number that would otherwise be permitted for that offi-  
13 cer’s armed force for that grade under subsection (a).”.

14           (2)(A) Section 526 of such title is amended by adding  
15 at the end the following new subsection:

16           “(e) EXCLUSION OF DIRECTORS OF ARMED FORCES  
17 RETIREMENT HOME.—The limitations of this section do  
18 not apply to a general or flag officer while the officer is  
19 assigned as the Director of a facility of the Armed Forces  
20 Retirement Home.”.

21           (B) Subsection (d) of such section is amended by in-  
22 serting “RESERVE COMPONENT” after “EXCLUSION OF  
23 CERTAIN”.

24           (3) Section 688(e)(2) of such title is amended by add-  
25 ing at the end the following new subparagraph:

1           “(D) A general officer or flag officer assigned  
2 as the Director of a facility of the Armed Forces Re-  
3 tirement Home for the period of active duty to which  
4 ordered.”.

5           (4) Section 690 of title 10, United States Code, is  
6 amended—

7           (A) in subsection (a)—

8                 (i) by striking the second sentence and in-  
9 serting the following: “The following officers  
10 are not counted for the purposes of this sub-  
11 section.”; and

12                 (ii) by adding at the end the following:

13                     “(1) A retired officer ordered to active duty for  
14 a period of 60 days or less.

15                     “(2) A general or flag officer who is assigned  
16 as the Director of a facility of the Armed Forces Re-  
17 tirement Home for the period of active duty to which  
18 ordered.”; and

19           (B) in subsection (b), by adding at the end of  
20 paragraph (2) the following new subparagraph:

21                 “(E) A general officer or flag officer assigned  
22 as the Director of a facility of the Armed Forces Re-  
23 tirement Home for the period of active duty to which  
24 ordered.”.

1           **Subtitle E—Other Matters**

2   **SEC. 1061. REQUIREMENT TO CONDUCT CERTAIN PRE-**  
3                   **VIOUSLY AUTHORIZED EDUCATIONAL PRO-**  
4                   **GRAMS FOR CHILDREN AND YOUTH.**

5           (a) NATIONAL GUARD CHALLENGE PROGRAM.—Sec-  
6   tion 509(a) of title 32, United States Code, is amended  
7   by striking “The Secretary of Defense may” and inserting  
8   “The Secretary of Defense shall”.

9           (b) STARBASE PROGRAM.—Section 2193b(a) of  
10   title 10, United States Code, is amended by striking “The  
11   Secretary of Defense may” and inserting “The Secretary  
12   of Defense shall”.

13   **SEC. 1062. AUTHORITY TO ENSURE DEMILITARIZATION OF**  
14                   **SIGNIFICANT MILITARY EQUIPMENT FOR-**  
15                   **MERLY OWNED BY THE DEPARTMENT OF DE-**  
16                   **FENSE.**

17           (a) PROHIBITION.—It is unlawful for any person to  
18   possess significant military equipment formerly owned by  
19   the Department of Defense unless—

20           (1) the military equipment has been demili-  
21   tarized in accordance with standards prescribed by  
22   the Secretary of Defense;

23           (2) the person is in possession of the military  
24   equipment for the purpose of demilitarizing the

1 equipment pursuant to a Federal Government con-  
2 tract; or

3 (3) the person is specifically authorized by law  
4 or regulation to possess the military equipment.

5 (b) REFERRAL TO ATTORNEY GENERAL.—The Sec-  
6 retary of Defense shall notify the Attorney General of any  
7 potential violation of subsection (a) of which the Secretary  
8 becomes aware.

9 (c) AUTHORITY TO REQUIRE DEMILITARIZATION.—  
10 (1) The Attorney General may require any person who,  
11 in violation of subsection (a), is in possession of significant  
12 military equipment formerly owned by the Department of  
13 Defense—

14 (A) to demilitarize the equipment;

15 (B) to have the equipment demilitarized by a  
16 third party; or

17 (C) to return the equipment to the Federal  
18 Government for demilitarization.

19 (2) When the demilitarization of significant military  
20 equipment is carried out pursuant to subparagraph (A)  
21 or (B) of paragraph (1), an officer or employee of the  
22 United States designated by the Attorney General shall  
23 have the right to confirm, by inspection or other means  
24 authorized by the Attorney General, that the equipment  
25 has been demilitarized.

1           (3) If significant military equipment is not demili-  
2   tarized or returned to the Federal Government for demili-  
3   tarization as required under paragraph (1) within a rea-  
4   sonable period after the Attorney General notifies the per-  
5   son in possession of the equipment of the requirement to  
6   do so, the Attorney General may request that a court of  
7   the United States issue a warrant authorizing the seizure  
8   of the military equipment in the same manner as is pro-  
9   vided for a search warrant. If the court determines that  
10  there is probable cause to believe that the person is in  
11  possession of significant military equipment in violation of  
12  subsection (a), the court shall issue a warrant authorizing  
13  the seizure of such equipment.

14           (d) DEMILITARIZATION OF EQUIPMENT.—(1) The  
15  Attorney General shall transfer any military equipment re-  
16  turned to the Federal Government or seized pursuant to  
17  subsection (c) to the Department of Defense for demili-  
18  tarization.

19           (2) If the person in possession of significant military  
20  equipment obtained the equipment in accordance with any  
21  other provision of law, the Secretary of Defense shall bear  
22  all costs of transportation and demilitarization of the  
23  equipment and shall either—

24                   (A) return the equipment to the person upon  
25                   completion of the demilitarization; or

1 (B) reimburse the person for the cost incurred  
2 by that person to acquire the equipment if the Sec-  
3 retary determines that the cost to demilitarize and  
4 return the property to the person would be prohibi-  
5 tive.

6 (e) ESTABLISHMENT OF DEMILITARIZATION STAND-  
7 ARDS.—(1) The Secretary of Defense shall prescribe regu-  
8 lations regarding the demilitarization of military equip-  
9 ment.

10 (2) The regulations shall be designed to ensure  
11 that—

12 (A) the equipment, after demilitarization, does  
13 not constitute a significant risk to public safety and  
14 does not have—

15 (i) a significant capability for use as a  
16 weapon; or

17 (ii) a uniquely military capability; and

18 (B) any person from whom private property is  
19 taken for public use under this section receives just  
20 compensation for the taking of the property.

21 (3) The regulations shall, at a minimum, define—

22 (A) the classes of significant military equipment  
23 requiring demilitarization before disposal; and

24 (B) what constitutes demilitarization for each  
25 class of significant military equipment.

1 (f) DEFINITION OF SIGNIFICANT MILITARY EQUIP-  
2 MENT.—In this section, the term “significant military  
3 equipment” means equipment that has a capability de-  
4 scribed in clause (i) or (ii) of subsection (e)(2) and—

5 (1) is a defense article listed on the United  
6 States Munitions List maintained under section 38  
7 of the Arms Export Control Act (22 U.S.C. 2778)  
8 that is designated on that list as significant military  
9 equipment; or

10 (2) is designated by the Secretary of Defense  
11 under the regulations prescribed under subsection  
12 (e) as being equipment that it is necessary in the in-  
13 terest of public safety to demilitarize before disposal  
14 by the United States.

15 **SEC. 1063. CONVEYANCES OF EQUIPMENT AND RELATED**  
16 **MATERIALS LOANED TO STATE AND LOCAL**  
17 **GOVERNMENTS AS ASSISTANCE FOR EMER-**  
18 **GENCY RESPONSE TO A USE OR THREAT-**  
19 **ENED USE OF A WEAPON OF MASS DESTRUC-**  
20 **TION.**

21 Section 1412(e) of the Defense Against Weapons of  
22 Mass Destruction Act of 1996 (title XIV of Public Law  
23 104–201; 110 Stat. 2718; 50 U.S.C. 2312(e)) is amended  
24 by adding at the end the following new paragraph:

1           “(5) A conveyance of ownership of United  
 2 States property to a State or local government, with-  
 3 out cost and without regard to subsection (f) and  
 4 title II of the Federal Property and Administrative  
 5 Services Act of 1949 (or any other provision of law  
 6 relating to the disposal of property of the United  
 7 States), if the property is equipment, or equipment  
 8 and related materials, that is in the possession of  
 9 the State or local government on the date of the en-  
 10 actment of the National Defense Authorization Act  
 11 for Fiscal Year 2002 pursuant to a loan of the prop-  
 12 erty as assistance under this section.”.

13 **SEC. 1064. AUTHORITY TO PAY GRATUITY TO MEMBERS OF**  
 14 **THE ARMED FORCES AND CIVILIAN EMPLOY-**  
 15 **EES OF THE UNITED STATES FOR SLAVE**  
 16 **LABOR PERFORMED FOR JAPAN DURING**  
 17 **WORLD WAR II.**

18           (a) PAYMENT OF GRATUITY AUTHORIZED.—The  
 19 Secretary of Veterans Affairs may pay a gratuity to a cov-  
 20 ered veteran or civilian internee, or to the surviving spouse  
 21 of a covered veteran or civilian internee, in the amount  
 22 of \$20,000.

23           (b) COVERED VETERAN OR CIVILIAN INTERNEE DE-  
 24 FINED.—In this section, the term “covered veteran or ci-  
 25 vilian internee” means any individual who—

1           (1) was a member of the Armed Forces, a civil-  
2           ian employee of the United States, or an employee  
3           of a contractor of the United States during World  
4           War II;

5           (2) served in or with United States combat  
6           forces during World War II;

7           (3) was captured and held as a prisoner of war  
8           or prisoner by Japan in the course of such service;  
9           and

10          (4) was required by the Imperial Government of  
11          Japan, or one or more Japanese corporations, to  
12          perform slave labor during World War II.

13          (c) RELATIONSHIP TO OTHER PAYMENTS.—Any  
14          amount paid a person under this section for activity de-  
15          scribed in subsection (b) is in addition to any other  
16          amount paid such person for such activity under any other  
17          provision of law.

18          **SEC. 1065. RETENTION OF TRAVEL PROMOTIONAL ITEMS.**

19          (a) IN GENERAL.—To the extent provided in sub-  
20          section (b), a Federal employee, member of the foreign  
21          service, member of a uniformed service, any family mem-  
22          ber or dependent of such an employee or member, or other  
23          individual traveling at Government expense who receives  
24          a promotional item (including frequent flyer miles, up-  
25          grades, or access to carrier clubs or facilities) as a result

1 of using travel or transportation services procured by the  
2 United States or accepted under section 1353 of title 31,  
3 United States Code, may retain the promotional item for  
4 personal use if the promotional item is obtained under the  
5 same terms as those offered to the general public and at  
6 no additional cost to the Government.

7 (b) APPLICABILITY TO EXECUTIVE BRANCH ONLY.—  
8 Subsection (a)—

9 (1) applies only to travel that is at the expense  
10 of the executive branch; and

11 (2) does not apply to travel by any officer, em-  
12 ployee, or other official of the Government outside  
13 the executive branch.

14 (c) CONFORMING AMENDMENT.—Section 6008 of the  
15 Federal Acquisition Streamlining Act of 1994 (Public Law  
16 103–355; 5 U.S.C. 5702 note) is amended by adding at  
17 the end the following new subsection:

18 “(d) INAPPLICABILITY TO EXECUTIVE BRANCH.—  
19 The guidelines issued under subsection (a) and the re-  
20 quirement under subsection (b) shall not apply to any  
21 agency of the executive branch or to any Federal employee  
22 or other personnel in the executive branch.”.

23 (d) APPLICABILITY.—This section shall apply with  
24 respect to promotional items received before, on, or after  
25 the date of enactment of this Act.

1 **TITLE XI—DEPARTMENT OF DE-**  
2 **FENSE CIVILIAN PERSONNEL**  
3 **POLICY**

4 **Subtitle A—Intelligence Personnel**

5 **SEC. 1101. AUTHORITY TO INCREASE MAXIMUM NUMBER**  
6 **OF POSITIONS IN THE DEFENSE INTEL-**  
7 **LIGENCE SENIOR EXECUTIVE SERVICE.**

8 Section 1606(a) of title 10, United States Code, is  
9 amended by striking “517.” and inserting the following:  
10 “517, except that the Secretary may increase such max-  
11 imum number by one position for each Senior Intelligence  
12 Service position in the Central Intelligence Agency that  
13 is permanently eliminated by the Director of Central Intel-  
14 ligence after the date of the enactment of the National  
15 Defense Authorization Act for Fiscal Year 2002. In no  
16 event may the number of positions in the Defense Intel-  
17 ligence Senior Executive Service exceed 544.”.

18 **SEC. 1102. CONTINUED APPLICABILITY OF CERTAIN CIVIL**  
19 **SERVICE PROTECTIONS FOR EMPLOYEES IN-**  
20 **TEGRATED INTO THE NATIONAL IMAGERY**  
21 **AND MAPPING AGENCY FROM THE DEFENSE**  
22 **MAPPING AGENCY.**

23 Section 1612(b) of title 10, United States Code, is  
24 amended by adding at the end the following new para-  
25 graph:



1 (B) by striking the period at the end of para-  
2 graph (16) and inserting “; and”;

3 (C) by inserting after paragraph (16) the fol-  
4 lowing new paragraph:

5 “(17) service performed by any individual as an  
6 employee of a nonappropriated fund instrumentality  
7 of the Department of Defense or the Coast Guard  
8 described in section 2105(c) of this title that is not  
9 covered by paragraph (16), if the individual elects  
10 (in accordance with regulations prescribed by the Of-  
11 fice) at the time of separation from service to have  
12 such service credited under this paragraph.”;

13 (D) in the last sentence, by inserting “or (17)”  
14 after “service of the type described in paragraph  
15 (16)”;

16 (E) by inserting after the last sentence the fol-  
17 lowing: “Service credited under paragraph (17) may  
18 not also be credited under any other retirement sys-  
19 tem provided for employees of a nonappropriated  
20 fund instrumentality.”.

21 (2) Section 8334 of such title is amended by adding  
22 at the end the following new subsection:

23 “(o) Notwithstanding subsection (c), no deposit may  
24 be made with respect to service credited under section  
25 8332(b)(17) of this title.”.

1           (3) Section 8339 of such title is amended by adding  
2 at the end the following new subsection:

3           “(u) The annuity of an employee retiring under this  
4 subchapter with service credited under section  
5 8332(b)(17) of this title shall be reduced to the maximum  
6 amount necessary to ensure that the present value of the  
7 annuity payable to the employee is actuarially equivalent  
8 to the present value of the annuity that would be payable  
9 to the employee under this subchapter if it were computed  
10 on the basis of service that does not include service cred-  
11 ited under section 8332(b)(17) of this title. The amount  
12 of the reduction shall be computed under regulations pre-  
13 scribed by the Office of Personnel Management for the  
14 administration of this subsection.”.

15           (b) FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—

16 (1) Section 8411 of such title is amended—

17           (A) in subsection (b)—

18                   (i) by striking “and” at the end of para-  
19 graph (4);

20                   (ii) by striking the period at the end of  
21 paragraph (5) and inserting “; and”; and

22                   (iii) by inserting after paragraph (5) the  
23 following new paragraph:

24                   “(6) service performed by any individual as an  
25 employee of a nonappropriated fund instrumentality

1 of the Department of Defense or the Coast Guard  
2 described in section 2105(e) of this title, if the indi-  
3 vidual elects (in accordance with regulations pre-  
4 scribed by the Office) at the time of separation from  
5 service to have such service credited under this para-  
6 graph.”; and

7 (B) by adding at the end the following new sub-  
8 section:

9 “(k)(1) The Office of Personnel Management shall  
10 accept, for the purposes if this chapter, the certification  
11 of the head of a nonappropriated fund instrumentality of  
12 the United States concerning service of the type described  
13 in subsection (b)(6) that was performed for such non-  
14 appropriated fund instrumentality.

15 “(2) Service credited under subsection (b)(6) may not  
16 also be credited under any other retirement system pro-  
17 vided for employees of a nonappropriated fund instrumen-  
18 tality.”.”.

19 (2)(A) Section 8422 of such title is amended by add-  
20 ing at the end the following new subsection:

21 “(g) No deposit may be made with respect to service  
22 credited under section 8411(b)(6) of this title.”.

23 (B) The heading for such section is amended to read  
24 as follows:

1 **“§ 8422. Deductions from pay; contributions for other**  
2 **service”.**

3 (C) The item relating to such section in the table of  
4 contents at the beginning of chapter 84 of title 5, United  
5 States Code, is amended to read as follows:

“8422. Deductions from pay; contributions for other service.”.

6 (3) Section 8415 of such title is amended by adding  
7 at the end the following new subsection:

8 “(j) The annuity of an employee retiring under this  
9 chapter with service credited under section 8411(b)(6) of  
10 this title shall be reduced to the maximum amount nec-  
11 essary to ensure that the present value of the annuity pay-  
12 able to the employee under this subchapter is actuarially  
13 equivalent to the present value of the annuity that would  
14 be payable to the employee under this subchapter if it were  
15 computed on the basis of service that does not include  
16 service credited under section 8411(b)(6) of this title. The  
17 amount of the reduction shall be computed under regula-  
18 tions prescribed by the Office of Personnel Management  
19 for the administration of this subsection.”.

20 (c) APPLICABILITY.—The amendments made by this  
21 section shall apply only to separations from service as an  
22 employee of the United States on or after the date of the  
23 enactment of this Act.

1 **SEC. 1112. IMPROVED PORTABILITY OF RETIREMENT COV-**  
2 **ERAGE FOR EMPLOYEES MOVING BETWEEN**  
3 **CIVIL SERVICE EMPLOYMENT AND EMPLOY-**  
4 **MENT BY NONAPPROPRIATED FUND INSTRU-**  
5 **MENTALITIES.**

6 (a) CIVIL SERVICE RETIREMENT SYSTEM.—Section  
7 8347(q) of title 5, United States Code, is amended—

8 (1) in paragraph (1)—

9 (A) by inserting “and” at the end of sub-  
10 paragraph (A);

11 (B) by striking subparagraph (B); and

12 (C) by redesignating subparagraph (C) as  
13 subparagraph (B); and

14 (2) in paragraph (2)(B)—

15 (A) by striking “vested”; and

16 (B) by striking “, as the term” and all  
17 that follows through “such system”.

18 (b) FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—  
19 Section 8461(n) of such title is amended—

20 (1) in paragraph (1)—

21 (A) by inserting “and” at the end of sub-  
22 paragraph (A);

23 (B) by striking subparagraph (B); and

24 (C) by redesignating subparagraph (C) as  
25 subparagraph (B); and

26 (2) in paragraph (2)(B)—

1 (A) by striking “vested”; and

2 (B) by striking “, as the term” and all  
3 that follows through “such system”.

4 **SEC. 1113. REPEAL OF FISCAL YEAR 2003 LIMITATION ON**  
5 **EXERCISE OF VOLUNTARY SEPARATION IN-**  
6 **CENTIVE PAY AUTHORITY AND VOLUNTARY**  
7 **EARLY RETIREMENT AUTHORITY.**

8 Section 1153(b)(2) of the Floyd D. Spence National  
9 Defense Authorization Act for Fiscal Year 2001 (as en-  
10 acted into law by Public Law 106–398; 114 Stat. 1654A–  
11 323) is amended by striking “during fiscal years 2002 and  
12 2003” and inserting “during fiscal year 2002”.

13 **Subtitle C—Other Matters**

14 **SEC. 1121. HOUSING ALLOWANCE FOR THE CHAPLAIN FOR**  
15 **THE CORPS OF CADETS AT THE UNITED**  
16 **STATES MILITARY ACADEMY.**

17 Section 4337 of title 10, United States Code, is  
18 amended by striking the second sentence and inserting the  
19 following: “The chaplain is entitled to a housing allowance  
20 equal to the basic allowance for housing that is applicable  
21 for an officer in pay grade O–5 at the Academy under  
22 section 403 of title 37, and to fuel and light for quarters  
23 in kind.”.

1 **SEC. 1122. STUDY OF ADEQUACY OF COMPENSATION PRO-**  
2 **VIDED FOR TEACHERS IN THE DEPARTMENT**  
3 **OF DEFENSE OVERSEAS DEPENDENTS'**  
4 **SCHOOLS.**

5 (a) **REQUIREMENT FOR STUDY.**—The Comptroller  
6 General shall carry out a study of the adequacy of the  
7 pay and other elements of the compensation provided for  
8 teachers in the defense dependents' education system es-  
9 tablished under the Defense Dependents' Education Act  
10 of 1978 (20 U.S.C. 921 et seq.).

11 (b) **SPECIFIC CONSIDERATIONS.**—In carrying out the  
12 study, the Comptroller General shall consider the following  
13 issues:

14 (1) Whether the compensation is adequate for  
15 recruiting and retaining high quality teachers.

16 (2) Whether any revision of the Defense De-  
17 partment Overseas Teachers Pay and Personnel  
18 Practices Act (20 U.S.C. 901 et seq) or the regula-  
19 tions under that Act is advisable to address any  
20 problems identified with respect to the recruitment  
21 and retention of high quality teachers or for other  
22 purposes.

23 (c) **REPORT.**—The Comptroller General shall submit  
24 a report on the results of the study to Congress not later  
25 than March 1, 2002. The report shall include the fol-  
26 lowing:

1           (1) The Comptroller General's conclusions on  
2           the issues considered.

3           (2) Any recommendations for actions that the  
4           Comptroller General considers appropriate.

5 **SEC. 1123. PILOT PROGRAM FOR PAYMENT OF RETRAINING**  
6                   **EXPENSES INCURRED BY EMPLOYERS OF**  
7                   **PERSONS INVOLUNTARILY SEPARATED FROM**  
8                   **EMPLOYMENT BY THE DEPARTMENT OF DE-**  
9                   **FENSE.**

10          (a) **AUTHORITY.**—The Secretary of Defense may  
11          carry out a pilot program in accordance with this section  
12          to facilitate the reemployment of employees of the Depart-  
13          ment of Defense who are being separated as described in  
14          subsection (b) by providing employers outside the Federal  
15          Government with retraining incentive payments to encour-  
16          age those employers to hire, train, and retain such employ-  
17          ees.

18          (b) **COVERED EMPLOYEES.**—A retraining incentive  
19          payment may be made under subsection (c) with respect  
20          to a person who—

21                 (1) has been involuntarily separated from em-  
22                 ployment by the United States due to—

23                         (A) a reduction in force (within the mean-  
24                         ing of chapter 35 of title 5, United States  
25                         Code); or

1 (B) a relocation resulting from a transfer  
2 of function (within the meaning of section 3503  
3 of title 5, United States Code), realignment, or  
4 change of duty station; and

5 (2) when separated—

6 (A) was employed without time limitation  
7 in a position in the Department of Defense;

8 (B) had been employed in such position or  
9 any combination of positions in the Department  
10 of Defense for a continuous period of at least  
11 one year;

12 (C) was not a reemployed annuitant under  
13 subchapter III of chapter 83 of title 5, United  
14 States Code, chapter 84 of such title, or an-  
15 other retirement system for employees of the  
16 Federal Government;

17 (D) was not eligible for an immediate an-  
18 nuity under subchapter III of chapter 83 of  
19 title 5, United States Code, or subchapter II of  
20 chapter 84 of such title; and

21 (E) was not eligible for disability retire-  
22 ment under any of the retirement systems re-  
23 ferred to in subparagraph (C).

24 (c) RETRAINING INCENTIVE.—(1) Under the pilot  
25 program, the Secretary may pay a retraining incentive to

1 any person outside the Federal Government that, pursu-  
2 ant to an agreement entered into under subsection (d),  
3 employs a former employee of the United States referred  
4 to in subsection (b).

5 (2) For employment of a former employee that is con-  
6 tinuous for one year, the amount of any retraining incen-  
7 tive paid to the employer under paragraph (1) shall be  
8 the lesser of—

9 (A) the amount equal to the total cost incurred  
10 by the employer for any necessary training provided  
11 to the former employee in connection with the em-  
12 ployment by that employer, as determined by the  
13 Secretary taking into consideration a certification by  
14 the employer under subsection (d); or

15 (B) \$10,000.

16 (3) For employment of a former employee that termi-  
17 nates within one year after the employment begins, the  
18 amount of any retraining incentive paid to the employer  
19 under paragraph (1) shall be equal to the amount that  
20 bears the same ratio to the amount computed under para-  
21 graph (2) as the period of continuous employment of the  
22 employee by that employer bears to one year.

23 (4) The cost of the training of a former employee of  
24 the United States for which a retraining incentive is paid  
25 to an employer under this subsection may include any cost

1 incurred by the employer for training that commenced for  
2 the former employee after the former employee, while still  
3 employed by the Department of Defense, received a notice  
4 of the separation from employment by the United States.

5 (5) Not more than one retraining incentive may be  
6 paid with respect to a former employee under this sub-  
7 section.

8 (d) EMPLOYER AGREEMENT.—Under the pilot pro-  
9 gram, the Secretary shall enter into an agreement with  
10 an employer outside the Federal Government that provides  
11 for the employer—

12 (1) to employ a person described in subsection  
13 (b) for at least one year for a salary or rate of pay  
14 that is mutually agreeable to the employer and such  
15 person; and

16 (2) to certify to the Secretary the cost incurred  
17 by the employer for any necessary training provided  
18 to such person in connection with the employment of  
19 the person by that employer.

20 (e) NECESSARY TRAINING.—For the purposes of this  
21 section, the necessity of training provided a former em-  
22 ployee of the Department of Defense shall be determined  
23 under regulations prescribed by the Secretary of Defense  
24 for the administration of this section.

1 (f) TERMINATION OF PILOT PROGRAM.—No retrain-  
2 ing incentive may be paid under this section for training  
3 commenced after September 30, 2005.

4 **TITLE XII—MATTERS RELATING**  
5 **TO OTHER NATIONS**  
6 **Subtitle A—Cooperative Threat Re-**  
7 **duction With States of the**  
8 **Former Soviet Union**

9 **SEC. 1201. SPECIFICATION OF COOPERATIVE THREAT RE-**  
10 **DUCTION PROGRAMS AND FUNDS.**

11 (a) SPECIFICATION OF CTR PROGRAMS.—For pur-  
12 poses of section 301 and other provisions of this Act, Co-  
13 operative Threat Reduction programs are the programs  
14 specified in section 1501(b) of the National Defense Au-  
15 thorization Act for Fiscal Year 1997 (Public Law 104–  
16 201; 110 Stat. 2731; 50 U.S.C. 2362 note).

17 (b) FISCAL YEAR 2002 COOPERATIVE THREAT RE-  
18 Duction FUNDS DEFINED.—As used in this title, the  
19 term “fiscal year 2002 Cooperative Threat Reduction  
20 funds” means the funds appropriated pursuant to the au-  
21 thorization of appropriations in section 301 for Coopera-  
22 tive Threat Reduction programs.

23 (c) AVAILABILITY OF FUNDS.—Funds appropriated  
24 pursuant to the authorization of appropriations in section

1 301 for Cooperative Threat Reduction programs shall be  
2 available for obligation for three fiscal years.

3 **SEC. 1202. FUNDING ALLOCATIONS.**

4 (a) FUNDING FOR SPECIFIC PURPOSES.—Of the  
5 \$403,000,000 authorized to be appropriated to the De-  
6 partment of Defense for fiscal year 2002 in section  
7 301(23) for Cooperative Threat Reduction programs, not  
8 more than the following amounts may be obligated for the  
9 purposes specified:

10 (1) For strategic offensive arms elimination in  
11 Russia, \$133,405,000.

12 (2) For strategic nuclear arms elimination in  
13 Ukraine, \$51,500,000.

14 (3) For weapons of mass destruction infrastruc-  
15 ture elimination in Ukraine, \$6,024,000.

16 (4) For weapons of mass destruction infrastruc-  
17 ture elimination in Kazakhstan, \$6,000,000.

18 (5) For weapons transportation security in Rus-  
19 sia, \$9,500,000.

20 (6) For weapons storage security in Russia,  
21 \$56,000,000.

22 (7) For implementation of a cooperative pro-  
23 gram with the Government of Russia to eliminate  
24 the production of weapons grade plutonium at Rus-  
25 sian reactors, \$41,700,000.

1           (8) For biological weapons proliferation preven-  
2           tion activities in the former Soviet Union,  
3           \$17,000,000.

4           (9) For chemical weapons destruction in Rus-  
5           sia, \$50,000,000.

6           (10) For activities designated as Other Assess-  
7           ments/Administrative Support, \$13,221,000.

8           (11) For defense and military contacts,  
9           \$18,650,000.

10       (b) REPORT ON OBLIGATION OR EXPENDITURE OF  
11 FUNDS FOR OTHER PURPOSES.—No fiscal year 2002 Co-  
12 operative Threat Reduction funds may be obligated or ex-  
13 pended for a purpose other than a purpose listed in para-  
14 graphs (1) through (11) of subsection (a) until 30 days  
15 after the date that the Secretary of Defense submits to  
16 Congress a report on the purpose for which the funds will  
17 be obligated or expended and the amount of funds to be  
18 obligated or expended. Nothing in the preceding sentence  
19 shall be construed as authorizing the obligation or expend-  
20 iture of fiscal year 2002 Cooperative Threat Reduction  
21 funds for a purpose for which the obligation or expendi-  
22 ture of such funds is specifically prohibited under this title  
23 or any other provision of law.

24       (c) LIMITED AUTHORITY TO VARY INDIVIDUAL  
25 AMOUNTS.—(1) Subject to paragraphs (2) and (3), in any

1 case in which the Secretary of Defense determines that  
2 it is necessary to do so in the national interest, the Sec-  
3 retary may obligate amounts appropriated for fiscal year  
4 2002 for a purpose listed in any of the paragraphs in sub-  
5 section (a) in excess of the amount specifically authorized  
6 for such purpose.

7 (2) An obligation of funds for a purpose stated in  
8 any of the paragraphs in subsection (a) in excess of the  
9 specific amount authorized for such purpose may be made  
10 using the authority provided in paragraph (1) only after—

11 (A) the Secretary submits to Congress notifica-  
12 tion of the intent to do so together with a complete  
13 discussion of the justification for doing so; and

14 (B) 15 days have elapsed following the date of  
15 the notification.

16 (3) The Secretary may not, under the authority pro-  
17 vided in paragraph (1), obligate amounts for the purposes  
18 stated in any of the paragraphs of subsection (a) in excess  
19 of 115 percent of the amount specifically authorized for  
20 such purposes.

21 **SEC. 1203. CHEMICAL WEAPONS DESTRUCTION.**

22 Section 1305 of the National Defense Authorization  
23 Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat.  
24 794; 22 U.S.C. 5952 note) is amended by inserting before  
25 the period at the end the following: “until the Secretary

1 of Defense submits to Congress a certification that there  
2 has been—

3 “(1) full and accurate disclosure by Russia of  
4 the size of its existing chemical weapons stockpile;

5 “(2) a demonstrated annual commitment by  
6 Russia to allocate at least \$25,000,000 to chemical  
7 weapons elimination;

8 “(3) development by Russia of a practical plan  
9 for destroying its stockpile of nerve agents;

10 “(4) enactment of a law by Russia that pro-  
11 vides for the elimination of all nerve agents at a sin-  
12 gle site;

13 “(5) an agreement by Russia to destroy its  
14 chemical weapons production facilities at Volgograd  
15 and Novocheboksark; and

16 “(6) a demonstrated commitment from the  
17 international community to fund and build infra-  
18 structure needed to support and operate the facil-  
19 ity”.

20 **SEC. 1204. MANAGEMENT OF COOPERATIVE THREAT RE-**  
21 **DUCTION PROGRAMS AND FUNDS.**

22 (a) **AUTHORITY OVER MANAGEMENT.**—The Sec-  
23 retary of Defense shall have authority, direction, and con-  
24 trol over the management of Cooperative Threat Reduc-  
25 tion programs and the funds for such programs.

1 (b) EXECUTIVE AGENT.—The Defense Threat Re-  
2 duction Agency shall be the executive agent of the Depart-  
3 ment of Defense for the functions of the Department re-  
4 lating to Cooperative Threat Reduction programs.

5 (c) SPECIFICATION OF FUNDS IN DEPARTMENT OF  
6 DEFENSE BUDGET.—The budget justification materials  
7 submitted to Congress in support of the budget of the De-  
8 partment of Defense for each fiscal year (as submitted  
9 with the budget of the President under section 1105(a)  
10 of title 31, United States Code) shall include amounts, if  
11 any, requested for such fiscal year for Cooperative Threat  
12 Reduction programs.

13 **SEC. 1205. ADDITIONAL MATTER IN ANNUAL REPORT ON**  
14 **ACTIVITIES AND ASSISTANCE UNDER COOP-**  
15 **ERATIVE THREAT REDUCTION PROGRAMS.**

16 Section 1308(c) of the Floyd D. Spence National De-  
17 fense Authorization Act for Fiscal Year 2001 (at enacted  
18 by Public Law 106–398; 114 Stat. 1654A–341) is amend-  
19 ed by adding at the end of the following new paragraph:

20 “(6) A description of the amount of the finan-  
21 cial commitment from the international community,  
22 and from Russia, for the chemical weapons destruc-  
23 tion facility located at Shchuch’ye, Russia, for the  
24 fiscal year beginning in the year in which the report  
25 is submitted.”.

1                   **Subtitle B—Other Matters**

2   **SEC. 1211. SUPPORT OF UNITED NATIONS-SPONSORED EF-**  
3                   **FORTS TO INSPECT AND MONITOR IRAQI**  
4                   **WEAPONS ACTIVITIES.**

5           (a) **LIMITATION ON AMOUNT OF ASSISTANCE IN FIS-**  
6   **CAL YEAR 2002**—The total amount of the assistance for  
7   fiscal year 2002 that is provided by the Secretary of De-  
8   fense under section 1505 of the Weapons of Mass Destruc-  
9   tion Control Act of 1992 (22 U.S.C. 5859a) as activities  
10  of the Department of Defense in support of activities  
11  under that Act may not exceed \$15,000,000.

12           (b) **EXTENSION OF AUTHORITY TO PROVIDE ASSIST-**  
13  **ANCE**.—Subsection (f) of section 1505 of the Weapons of  
14  Mass Destruction Control Act of 1992 (22 U.S.C. 5859a)  
15  is amended by striking “2001” and inserting “2002”.

16  **SEC. 1212. COOPERATIVE RESEARCH AND DEVELOPMENT**  
17                   **PROJECTS WITH NATO AND OTHER COUN-**  
18                   **TRIES.**

19           (a) **ELIGIBILITY OF FRIENDLY FOREIGN COUN-**  
20  **TRIES**.—Section 2350a of title 10, United States Code,  
21  is amended—

22                   (1) in subsection (a)—

23                           (A) by inserting “(1)” after “(a) **AUTHOR-**  
24                   **ITY TO ENGAGE IN COOPERATIVE R&D**  
25                   **PROJECTS.**—”;

1 (B) by striking “major allies of the United  
2 States or NATO organizations” and inserting  
3 “countries or organizations referred to in para-  
4 graph (2)”; and

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

7 “(2) The countries and organizations with which the  
8 Secretary may enter into a memorandum of agreement (or  
9 other formal agreement) under paragraph (1) are as fol-  
10 lows:

11 “(A) The North Atlantic Treaty Organization.

12 “(B) A NATO organization.

13 “(C) A member nation of the North Atlantic  
14 Treaty Organization.

15 “(D) A major non-NATO ally.

16 “(E) Any other friendly foreign country.”;

17 (2) in subsection (b), by striking “its major  
18 non-NATO allies” and inserting “a country or orga-  
19 nization referred to in subsection (a)(2)”;

20 (3) in subsection (d)—

21 (A) in paragraph (1), by striking “the  
22 major allies of the United States” and inserting  
23 “countries and organizations referred to in sub-  
24 section (a)(2)”;

25 (B) in paragraph (2)—

1 (i) by striking “major ally of the  
2 United States” and inserting “country or  
3 organization referred to in subsection  
4 (a)(2)”; and

5 (ii) by striking “ally’s” and inserting  
6 “country’s or organization’s”;

7 (4) in subsection (e)(2)—

8 (A) in subparagraph (A), by striking “one  
9 or more of the major allies of the United  
10 States” and inserting “any country or organiza-  
11 tion referred to in subsection (a)(2)”;

12 (B) in subparagraph (B), by striking  
13 “major allies of the United States or NATO or-  
14 ganizations” and inserting “countries and orga-  
15 nizations referred to in subsection (a)(2)”;

16 (C) in subparagraph (C), by striking  
17 “major allies of the United States” and insert-  
18 ing “countries and organizations referred to in  
19 subsection (a)(2)”; and

20 (D) in subparagraph (D), by striking  
21 “major allies of the United States” and insert-  
22 ing “countries and organizations referred to in  
23 subsection (a)(2)”;

24 (5) paragraphs (1)(A) and (4)(A) of subsection  
25 (g), by striking “major allies of the United States

1 and other friendly foreign countries” and inserting  
2 “countries referred to in subsection (a)(2)”; and  
3 (6) in subsection (i)—

4 (A) in paragraph (1), by striking “major  
5 allies of the United States or NATO organiza-  
6 tions” and inserting “countries and organiza-  
7 tions referred to in subsection (a)(2)”;  
8

9 (B) by striking paragraph (2); and

10 (C) by redesignating paragraph (4) as  
11 paragraph (2), and by transferring that para-  
12 graph, as so redesignated, within that sub-  
13 section and inserting the paragraph after para-  
14 graph (1).

15 (b) DELEGATION OF AUTHORITY TO DETERMINE  
16 ELIGIBILITY OF PROJECTS.—Subsection (b)(2) of such  
17 section is amended by striking “or the Under Secretary  
18 of Defense for Acquisition and Technology” and inserting  
19 “and to one other official of the Department of Defense”.

20 (c) REVISION OF REQUIREMENT FOR ANNUAL RE-  
21 PORT ON ELIGIBLE COUNTRIES.—Subsection (f)(2) of  
22 such section is amended to read as follows:

23 “(2) Not later than January 1 of each year, the Sec-  
24 retary of Defense shall submit to the Committees on  
25 Armed Services and on Foreign Relations of the Senate  
and to the Committees on Armed Services and on Inter-

1 national Relations of the House of Representatives a re-  
2 port specifying—

3 “(A) the countries that are eligible to partici-  
4 pate in a cooperative project agreement under this  
5 section; and

6 “(B) the criteria used to determine the eligi-  
7 bility of such countries.”.

8 (d) CONFORMING AMENDMENTS.—(1) The heading  
9 of such section is amended to read as follows:

10 **“§ 2350a. Cooperative research and development**  
11 **agreements: NATO and foreign coun-**  
12 **tries”.**

13 (2) The item relating to such section in the table of  
14 sections at the beginning of subchapter II of chapter 138  
15 of title 10, United States Code, is amended to read as  
16 follows:

“2350a. Cooperative research and development agreements: NATO and foreign  
countries.”.

17 **SEC. 1213. INTERNATIONAL COOPERATIVE AGREEMENTS**  
18 **ON USE OF RANGES AND OTHER FACILITIES**  
19 **FOR TESTING OF DEFENSE EQUIPMENT.**

20 (a) AUTHORITY.—Chapter 138 of title 10, United  
21 States Code, is amended by adding at the end the fol-  
22 lowing new section:

1 **“§ 23501. Cooperative use of ranges and other facili-**  
2 **ties for testing of defense equipment:**  
3 **agreements with foreign countries and**  
4 **international organizations**

5 “(a) **AUTHORITY.**—The Secretary of Defense, with  
6 the concurrence of the Secretary of State, may enter into  
7 a memorandum of understanding (or other formal agree-  
8 ment) with a foreign country or international organization  
9 to provide reciprocal access by the United States and such  
10 country or organization to each other’s ranges and other  
11 facilities for testing of defense equipment.

12 “(b) **PAYMENT OF COSTS.**—A memorandum or other  
13 agreement entered into under subsection (a) shall include  
14 provisions for charging a user of a range or other facility  
15 for test and evaluation services furnished by the officers,  
16 employees, or governmental agencies of the supplying  
17 country or international organization under the memo-  
18 randum or other agreement. The provisions for charging  
19 a user shall conform to the following pricing principles:

20 “(1) The user shall be charged the amount  
21 equal to the direct costs incurred by the country or  
22 international organization to supply the services.

23 “(2) The user may also be charged indirect  
24 costs of the use of the range or other facility, but  
25 only to the extent specified in the memorandum or  
26 other agreement.

1       “(c) RETENTION OF FUNDS COLLECTED BY THE  
2 UNITED STATES.—Amounts collected from the user of a  
3 range or other facility of the United States under a memo-  
4 randum of understanding or other formal agreement en-  
5 tered into under subsection (a) shall be credited to the  
6 appropriation from which the costs incurred by the United  
7 States in providing support for the use of the range or  
8 other facility by that user were paid.

9       “(d) DELEGATION OF AUTHORITY.—The Secretary  
10 of Defense may delegate only to the Deputy Secretary of  
11 Defense and to one other official of the Department of  
12 Defense authority to determine the appropriateness of the  
13 amount of indirect costs charged the United States under  
14 a memorandum or other agreement entered into under  
15 subsection (a).

16       “(e) DEFINITIONS.—In this section:

17               “(1) The term ‘direct cost’, with respect to test-  
18 ing and evaluation under a memorandum or other  
19 agreement entered into under subsection (a)—

20                       “(A) means any item of cost that—

21                               “(i) is easily and readily identified to  
22 a specific unit of work or output within the  
23 range or other facility where the testing  
24 and evaluation occurred under the memo-  
25 randum or other agreement; and

1                   “(ii) would not have been incurred if  
2                   the testing and evaluation had not taken  
3                   place; and

4                   “(B) may include costs of labor, materials,  
5                   facilities, utilities, equipment, supplies, and any  
6                   other resources of the range or other facility  
7                   that are consumed or damaged in connection  
8                   with—

9                   “(i) the conduct of the test and eval-  
10                  uation; or

11                  “(ii) the maintenance of the range or  
12                  other facility for the use of the country or  
13                  international organization under the  
14                  memorandum or other agreement.

15                  “(2) The term ‘indirect cost’, with respect to  
16                  testing and evaluation under a memorandum or  
17                  other agreement entered into under subsection (a)—

18                  “(A) means any item of cost that cannot  
19                  readily be identified directly to a specific unit of  
20                  work or output; and

21                  “(B) may include general and administra-  
22                  tive expenses for such activities as supporting  
23                  base operations, manufacturing, supervision,  
24                  procurement of office supplies, and utilities that

1           are accumulated costs allocated among several  
2           users.”.

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

“2350l. Cooperative use of ranges and other facilities for testing of defense  
equipment: agreements with foreign countries and international  
organizations.”.

6 **SEC. 1214. CLARIFICATION OF AUTHORITY TO FURNISH NU-**  
7 **CLEAR TEST MONITORING EQUIPMENT TO**  
8 **FOREIGN GOVERNMENTS.**

9           (a) REDESIGNATION OF EXISTING AUTHORITY.—(1)  
10 Section 2555 of title 10, United States Code, as added  
11 by section 1203 of the Floyd D. Spence National Defense  
12 Authorization Act for Fiscal Year 2001 (as enacted by  
13 Public Law 106–398; 114 Stat. 1654A–324), is redesignig-  
14 nated as section 2565 of that title.

15           (2) The table of sections at the beginning of chapter  
16 152 of that title is amended by striking the item relating  
17 to section 2555, as so added, and inserting the following  
18 new item:

“2565. Nuclear test monitoring equipment: furnishing to foreign governments.”.

19           (b) CLARIFICATION OF AUTHORITY.—Section 2565  
20 of that title, as so redesignated by subsection (a), is fur-  
21 ther amended—

22           (1) in subsection (a)—

1 (A) by striking “CONVEY OR” in the sub-  
2 section heading and inserting “TRANSFER  
3 TITLE TO OR OTHERWISE”;

4 (B) in paragraph (1)—

5 (i) by striking “convey” and inserting  
6 “transfer title”; and

7 (ii) by striking “and” at the end;

8 (C) by striking the period at the end of  
9 paragraph (2) and inserting “; and”; and

10 (D) by adding at the end the following new  
11 paragraph:

12 “(3) inspect, test, maintain, repair, or replace  
13 any such equipment.”; and

14 (2) in subsection (b)—

15 (A) by striking “conveyed or otherwise pro-  
16 vided” and inserting “provided to a foreign gov-  
17 ernment”;

18 (B) by inserting “and” at the end of para-  
19 graph (1);

20 (C) by striking “; and” at the end of para-  
21 graph (2) and inserting a period; and

22 (D) by striking paragraph (3).

1 **SEC. 1215. PARTICIPATION OF GOVERNMENT CONTRAC-**  
2 **TORS IN CHEMICAL WEAPONS INSPECTIONS**  
3 **AT UNITED STATES GOVERNMENT FACILI-**  
4 **TIES UNDER THE CHEMICAL WEAPONS CON-**  
5 **VENTION.**

6 (a) **AUTHORITY.**—Section 303(b)(2) of the Chemical  
7 Weapons Convention Implementation Act of 1998 (22  
8 U.S.C. 6723(b)(2)) is amended by inserting after “des-  
9 ignation of employees of the Federal Government” the fol-  
10 lowing: “(and, in the case of an inspection of a United  
11 States Government facility, the designation of contractor  
12 personnel who shall be led by an employee of the Federal  
13 Government)”.

14 (b) **CREDENTIALS.**—Section 304(c) of such Act (22  
15 U.S.C. 6724(c)) is amended by striking “Federal govern-  
16 ment” and inserting “Federal Government (and, in the  
17 case of an inspection of a United States Government facil-  
18 ity, any accompanying contractor personnel)”.

19 **SEC. 1216. AUTHORITY TO TRANSFER NAVAL VESSELS TO**  
20 **CERTAIN FOREIGN COUNTRIES.**

21 (a) **TRANSFERS BY GRANT.**—The President is au-  
22 thorized to transfer vessels to foreign countries on a grant  
23 basis under section 516 of the Foreign Assistance Act of  
24 1961 (22 U.S.C. 2321j) as follows:

1           (1) POLAND.—To the Government of Poland,  
2           the OLIVER HAZARD PERRY class guided missile  
3           frigate WADSWORTH (FFG 9).

4           (2) TURKEY.—To the Government of Turkey,  
5           the KNOX class frigates CAPODANNO (FF 1093),  
6           THOMAS C. HART (FF 1092), DONALD B.  
7           BEARY (FF 1085), McCANDLESS (FF 1084),  
8           REASONER (FF 1063), and BOWEN (FF 1079).

9           (b) TRANSFERS BY SALE.—The President is author-  
10          ized to transfer vessels to foreign governments and foreign  
11          governmental entities on a sale basis under section 21 of  
12          the Arms Export Control Act (22 U.S.C. 2761) as follows:

13           (1) TAIWAN.—To the Taipei Economic and  
14           Cultural Representative Office in the United States  
15           (which is the Taiwan instrumentality designated  
16           pursuant to section 10(a) of the Taiwan Relations  
17           Act), the KIDD class guided missile destroyers  
18           KIDD (DDG 993), CALLAGHAN (DDG 994),  
19           SCOTT (DDG 995), and CHANDLER (DDG 996).

20           (2) TURKEY.—To the Government of Turkey,  
21           the OLIVER HAZARD PERRY class guided missile  
22           frigates ESTOCIN (FFG 15) and SAMUEL  
23           ELIOT MORISON (FFG 13).

24           (c) ADDITIONAL CONGRESSIONAL NOTIFICATION  
25          NOT REQUIRED.—Except as provided in subsection (d),

1 the following provisions do not apply with respect to trans-  
2 fers authorized by this section:

3 (1) Section 516(f) of the Foreign Assistance  
4 Act of 1961 (22 U.S.C. 2321j(f)).

5 (2) Section 524 of the Foreign Operations, Ex-  
6 port Financing, and Related Programs Appropria-  
7 tion Act, 2001 (as enacted by Public Law 106–429;  
8 114 Stat. 1900A–30) and any similar successor pro-  
9 vision.

10 (d) GRANTS NOT COUNTED IN ANNUAL TOTAL OF  
11 TRANSFERRED EXCESS DEFENSE ARTICLES.—The value  
12 of a vessel transferred to another country on a grant basis  
13 under section 516 of the Foreign Assistance Act of 1961  
14 (22 U.S.C. 2321j) pursuant to authority provided by sub-  
15 section (a) shall not be counted for the purposes of sub-  
16 section (g) of that section in the aggregate value of excess  
17 defense articles transferred to countries under that section  
18 in any fiscal year.

19 (e) COSTS OF TRANSFERS ON GRANT BASIS.—Any  
20 expense incurred by the United States in connection with  
21 a transfer authorized by this section shall be charged to  
22 the recipient (notwithstanding section 516(e)(1) of the  
23 Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1)))  
24 in the case of a transfer authorized to be made on a grant  
25 basis under subsection (a).



1           (1) the Chairman of the Committee on the  
2 Budget of the Senate—

3           (A) determines, for the purposes of section  
4 217(b) of the Concurrent Resolution on the  
5 Budget for Fiscal Year 2002, that the appro-  
6 priation of all of the amounts specified in sec-  
7 tion 1302 would not, when taken together with  
8 all other previously enacted legislation (except  
9 for legislation enacted pursuant to section 211  
10 of such concurrent resolution) reduce the on-  
11 budget surplus below the level of the Medicare  
12 Hospital Insurance Trust Fund surplus in any  
13 fiscal year covered by the concurrent resolution;  
14 and

15           (B) increases the allocation of new budget  
16 authority for defense spending in accordance  
17 with section 217(a) of the Concurrent Resolu-  
18 tion on the Budget for Fiscal Year 2002; or

19           (2) the Senate—

20           (A) by a vote of at least three-fifths of the  
21 Members of the Senate duly chosen and sworn,  
22 waives the point of order under section 302(f)  
23 of the Congressional Budget and Impoundment  
24 Control Act of 1974 with respect to an appro-  
25 priation bill or resolution that provides new

1 budget authority for the National Defense  
2 major functional category (050) in excess of the  
3 amount specified for the defense category in  
4 section 203(e)(1)(A) of the Concurrent Resolu-  
5 tion on the Budget for Fiscal Year 2002; and

6 (B) approves the appropriation bill or reso-  
7 lution.

8 (b) FULL OR PARTIAL AUTHORIZATION.—(1) If the  
9 total amount of the new budget authority allocated or  
10 available for the National Defense major functional cat-  
11 egory (050) for fiscal year 2002 is increased as described  
12 in subsection (a) by at least \$18,448,601,000 over the  
13 amount of the new budget authority allocated for that cat-  
14 egory for fiscal year 2002 by the Concurrent Resolution  
15 on the Budget for Fiscal Year 2002, the reductions under  
16 section 1302 shall not be made.

17 (2) If the total amount of new budget authority allo-  
18 cated or available for the National Defense major func-  
19 tional category (050) for fiscal year 2002 is increased as  
20 described in subsection (a) by less than \$18,448,601,000  
21 over the amount of the new budget authority allocated for  
22 that category for fiscal year 2002 by the Concurrent Reso-  
23 lution on the Budget for Fiscal Year 2002, each of the  
24 total amounts referred to in section 1302 shall be reduced  
25 by a proportionate amount of the difference between

1 \$18,448,601,000 and the amount of the increase in the  
2 allocated new budget authority.

3 **SEC. 1302. REDUCTIONS.**

4       Until such time as the amount of the new budget au-  
5 thority allocated or available for the National Defense  
6 major functional category (050) for fiscal year 2002 is in-  
7 creased as described in section 1301(a), the total amounts  
8 authorized to be appropriated by provisions of this Act are  
9 reduced as follows:

10           (1) For the total amount authorized to be ap-  
11 propriated for procurement by subtitle A of title I,  
12 the reduction is \$2,100,854,000.

13           (2) For the total amount authorized to be ap-  
14 propriated for research, development, test and eval-  
15 uation by section 201, the reduction is  
16 \$3,033,434,000.

17           (3) For the total amount authorized to be ap-  
18 propriated for operation and maintenance by section  
19 301, the reduction is \$8,737,773,000.

20           (4) For the total amount authorized to be ap-  
21 propriated for working capital and revolving funds  
22 by section 302, the reduction is \$1,018,394,000.

23           (5) For the total amount authorized to be ap-  
24 propriated by division B, the reduction is  
25 \$348,065,000.

1 **SEC. 1303. REFERENCE TO CONCURRENT RESOLUTION ON**  
 2 **THE BUDGET FOR FISCAL YEAR 2002.**

3 For the purposes of this title, a reference to the Con-  
 4 current Resolution on the Budget for Fiscal Year 2002  
 5 is a reference to House Concurrent Resolution 83 (107th  
 6 Congress, 1st session).

7 **DIVISION B—MILITARY CON-**  
 8 **STRUCTION AUTHORIZA-**  
 9 **TIONS**

10 **SEC. 2001. SHORT TITLE.**

11 This division may be cited as the “Military Construc-  
 12 tion Authorization Act for Fiscal Year 2002”.

13 **TITLE XXI—ARMY**

14 **SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND**  
 15 **ACQUISITION PROJECTS.**

16 (a) **INSIDE THE UNITED STATES.**—Using amounts  
 17 appropriated pursuant to the authorization of appropria-  
 18 tions in section 2104(a)(1), the Secretary of the Army  
 19 may acquire real property and carry out military construc-  
 20 tion projects for the installations and locations inside the  
 21 United States, and in the amounts, set forth in the fol-  
 22 lowing table:

**Army: Inside the United States**

<b>State</b>	<b>Installation or location</b>	<b>Amount</b>
Alabama .....	Anniston Army Depot .....	\$5,150,000
	Fort Rucker .....	\$11,400,000
	Redstone Arsenal .....	\$7,200,000
Alaska .....	Fort Richardson .....	\$115,000,000
	Fort Wainwright .....	\$27,200,000
Arizona .....	Fort Huachuca .....	\$6,100,000

**Army: Inside the United States**—Continued

<b>State</b>	<b>Installation or location</b>	<b>Amount</b>
Colorado .....	Fort Carson .....	\$66,000,000
District of Columbia .....	Fort McNair .....	\$11,600,000
Georgia .....	Fort Benning .....	\$23,900,000
	Fort Gillem .....	\$34,600,000
	Fort Gordon .....	\$34,000,000
	Fort Stewart/Hunter Army Air Field.	\$39,800,000
Hawaii .....	Navy Public Works Center, Pearl Harbor.	\$11,800,000
	Pohakuloa Training Facility .....	\$6,600,000
	Wheeler Army Air Field .....	\$50,000,000
Illinois .....	Rock Island Arsenal .....	\$3,500,000
Kansas .....	Fort Riley .....	\$10,900,000
Kentucky .....	Fort Campbell .....	\$88,900,000
	Fort Knox .....	\$11,600,000
Louisiana .....	Fort Polk .....	\$21,200,000
Maryland .....	Aberdeen Proving Ground .....	\$58,300,000
	Fort Meade .....	\$5,800,000
Missouri .....	Fort Leonard Wood .....	\$7,850,000
New Jersey .....	Fort Monmouth .....	\$20,000,000
New Mexico .....	White Sands Missile Range .....	\$7,600,000
New York .....	Fort Drum .....	\$37,850,000
North Carolina .....	Fort Bragg .....	\$21,300,000
	Sunny Point Military Ocean Terminal.	\$11,400,000
Oklahoma .....	Fort Sill .....	\$18,600,000
South Carolina .....	Fort Jackson .....	\$62,000,000
Texas .....	Fort Hood .....	\$86,200,000
	Fort Sam Houston .....	\$2,250,000
Virginia .....	Fort Belvoir .....	\$35,950,000
	Fort Eustis .....	\$34,650,000
	Fort Lee .....	\$23,900,000
Washington .....	Fort Lewis .....	\$238,200,000
	Total: .....	\$1,258,000,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts  
2 appropriated pursuant to the authorization of appropri-  
3 ations in section 2104(a)(2), the Secretary of the Army  
4 may acquire real property and carry out military construc-  
5 tion projects for the locations outside the United States,  
6 and in the amounts, set forth in the following table:

**Army: Outside the United States**

<b>Country</b>	<b>Installation or location</b>	<b>Amount</b>
Germany .....	Area Support Group, Bamberg .....	\$36,000,000
	Area Support Group, Darmstadt .....	\$13,500,000
	Baumholder .....	\$9,000,000
	Hanau .....	\$7,200,000
	Heidelberg .....	\$15,300,000
	Mannheim .....	\$16,000,000
	Wiesbaden Air Base .....	\$26,300,000
Korea .....	Camp Carroll .....	\$16,593,000

**Army: Outside the United States**—Continued

Country	Installation or location	Amount
Kwajalein .....	Camp Casey .....	\$8,500,000
	Camp Hovey .....	\$35,750,000
	Camp Humphreys .....	\$14,500,000
	Camp Jackson .....	\$6,100,000
	Camp Stanley .....	\$28,000,000
	Kwajalein Atoll .....	\$11,000,000
	Total: .....	\$243,743,000

1 (c) UNSPECIFIED WORLDWIDE.—Using amounts ap-  
2 propriated pursuant to the authorization of appropriations  
3 in section 2104(a)(3), the Secretary of the Army may ac-  
4 quire real property and carry out military construction  
5 projects for the installation and location, and in the  
6 amount, set forth in the following table:

**Army: Unspecified Worldwide**

Location	Installation	Amount
Unspecified Worldwide .....	Classified Location .....	\$4,000,000

7 **SEC. 2102. FAMILY HOUSING.**

8 (a) CONSTRUCTION AND ACQUISITION.—Using  
9 amounts appropriated pursuant to the authorization of ap-  
10 propriations in section 2104(a)(6)(A), the Secretary of the  
11 Army may construct or acquire family housing units (in-  
12 cluding land acquisition) at the installations, for the pur-  
13 poses, and in the amounts set forth in the following table:

**Army: Family Housing**

State or county	Installation or loca- tion	Purpose	Amount
Alaska .....	Fort Wainwright .....	32 Units .....	\$12,000,000
Arizona .....	Fort Huachuca .....	72 Units .....	\$10,800,000
Kansas .....	Fort Leavenworth .....	40 Units .....	\$20,000,000
Texas .....	Fort Bliss .....	76 Units .....	\$13,600,000
Korea .....	Fort Sam Houston .....	80 Units .....	\$11,200,000
	Camp Humphreys .....	54 Units .....	\$12,800,000
	Total: .....	.....	\$80,400,000

1 (b) PLANNING AND DESIGN.—Using amounts appro-  
2 priated pursuant to the authorization of appropriations in  
3 section 2104(a)(6)(A), the Secretary of the Army may  
4 carry out architectural and engineering services and con-  
5 struction design activities with respect to the construction  
6 or improvement of family housing units in an amount not  
7 to exceed \$12,702,000.

8 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING**  
9 **UNITS.**

10 Subject to section 2825 of title 10, United States  
11 Code, and using amounts appropriated pursuant to the  
12 authorization of appropriations in section 2104(a)(6)(A),  
13 the Secretary of the Army may improve existing military  
14 family housing units in an amount not to exceed  
15 \$220,750,000.

16 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

17 (a) IN GENERAL.—Funds are hereby authorized to  
18 be appropriated for fiscal years beginning after September  
19 30, 2001, for military construction, land acquisition, and  
20 military family housing functions of the Department of the  
21 Army in the total amount of \$3,068,303,000, as follows:

22 (1) For military construction projects inside the  
23 United States authorized by section 2101(a),  
24 \$1,027,300,000.

1           (2) For military construction projects outside  
2 the United States authorized by section 2101(b),  
3 \$243,743,000.

4           (3) For military construction projects at un-  
5 specified worldwide locations authorized by section  
6 2101(c), \$4,000,000.

7           (4) For unspecified minor construction projects  
8 authorized by section 2805 of title 10, United States  
9 Code, \$18,000,000.

10          (5) For architectural and engineering services  
11 and construction design under section 2807 of title  
12 10, United States Code, \$142,198,000.

13          (6) For military family housing functions:

14           (A) For construction and acquisition, plan-  
15 ning and design, and improvement of military  
16 family housing and facilities, \$313,852,000.

17           (B) For support of military family housing  
18 (including the functions described in section  
19 2833 of title 10, United States Code),  
20 \$1,108,991,000.

21          (7) For the Homeowners Assistance Program,  
22 as authorized by section 2832 of title 10, United  
23 States Code, \$10,119,000, to remain available until  
24 expended.

1           (8) For the construction of the Cadet Develop-  
2           ment Center, United States Military Academy, West  
3           Point, New York, authorized in section 2101(a) of  
4           the Military Construction Authorization Act for Fis-  
5           cal Year 1999 (division B of Public Law 105–261;  
6           112 Stat. 2182), \$37,900,000.

7           (9) For the construction of a Barracks Com-  
8           plex—Tagaytay Street Phase 2C, Fort Bragg, North  
9           Carolina, authorized in section 2101(a) of the Mili-  
10          tary Construction Authorization Act for Fiscal Year  
11          2000 (division B of Public Law 106–65; 113 Stat.  
12          824), \$17,500,000.

13          (10) For the construction of a Barracks Com-  
14          plex—Wilson Street, Phase 1C, Schofield Barracks,  
15          Hawaii, authorized in section 2101(a) of the Mili-  
16          tary Construction Authorization Act for Fiscal Year  
17          2000 (113 Stat. 824), \$23,000,000.

18          (11) For construction of a Basic Combat Train-  
19          ing Complex Phase 2, Fort Leonard Wood, Missouri,  
20          authorized in section 2101(a) of the Military Con-  
21          struction Authorization Act for Fiscal Year 2001  
22          (division B of the Floyd D. Spence National Defense  
23          Authorization Act for Fiscal Year 2001 (as enacted  
24          by Public Law 106–398); 114 Stat. 1654A–389),  
25          \$27,000,000.

1           (12) For the construction of the Battle Simula-  
2           tion Center Phase 2, Fort Drum, New York, author-  
3           ized in section 2101(a) of the Military Construction  
4           Authorization Act for Fiscal Year 2001 (114 Stat.  
5           1654A–389), \$9,000,000.

6           (13) For the construction of a Barracks Com-  
7           plex—Bunter Road Phase 2, Fort Bragg, North  
8           Carolina, authorized in section 2101(a) of the Mili-  
9           tary Construction Authorization Act for Fiscal Year  
10          2001 (114 Stat. 1654A–389), \$49,000,000.

11          (14) For the construction of a Barracks Com-  
12          plex—Longstreet Road Phase 2, Fort Bragg, North  
13          Carolina, authorized in section 2101(a) of the Mili-  
14          tary Construction Authorization Act for Fiscal Year  
15          2001 (114 Stat. 1654A–389), \$27,000,000.

16          (15) For the construction of a Multipurpose  
17          Digital Training Range, Fort Hood, Texas, author-  
18          ized in section 2101(a) of the Military Construction  
19          Authorization Act for Fiscal Year 2001 (114 Stat.  
20          1654A–389), \$13,000,000.

21          (b) LIMITATION ON TOTAL COST OF CONSTRUCTION  
22          PROJECTS.—Notwithstanding the cost variations author-  
23          ized by section 2853 of title 10, United States Code, and  
24          any other cost variation authorized by law, the total cost

1 of all projects carried out under section 2101 of this Act  
2 may not exceed—

3 (1) the total amount authorized to be appro-  
4 priated under paragraphs (1), (2), and (3) of sub-  
5 section (a);

6 (2) \$52,000,000 (the balance of the amount au-  
7 thorized under section 2101(a) for Barracks Com-  
8 plex D Street Phase at Fort Richardson, Alaska);

9 (3) \$41,000,000 (the balance of the amount au-  
10 thorized under section 2101(a) for Barracks Com-  
11 plex—Nelson Boulevard (Phase I) at Fort Carson,  
12 Colorado);

13 (4) \$36,000,000 (the balance of the amount au-  
14 thorized under section 2101(a) for Basic Combat  
15 Training Complex (Phase I) at Fort Jackson, South  
16 Carolina); and

17 (5) \$102,000,000 (the balance of the amount  
18 authorized under section 2101(a) for Barracks Com-  
19 plex—17th & B Street (Phase I) at Fort Lewis,  
20 Washington).

21 (c) ADJUSTMENT.—The total amount authorized to  
22 be appropriated pursuant to paragraphs (1) through (7)  
23 of subsection (a) is the sum of the amounts authorized  
24 to be appropriated in such paragraphs reduced by  
25 \$3,300,000, which represents savings resulting from ad-

1 justments to foreign currency exchange rates for military  
2 family housing construction and military family housing  
3 support outside the United States.

4 **SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT**  
5 **CERTAIN FISCAL YEAR 2001 PROJECTS.**

6 (a) MODIFICATION.—The table in section 2101(a) of  
7 the Military Construction Authorization Act for Fiscal  
8 Year 2001 (division B of the Floyd D. Spence National  
9 Defense Authorization Act for Fiscal Year 2001 (as en-  
10 acted by Public Law 106–398); 114 Stat. 1654A–389) is  
11 amended—

12 (1) in the item relating to Fort Leonard Wood,  
13 Missouri, by striking “\$65,400,000” in the amount  
14 column and inserting “\$69,800,000”;

15 (2) in the item relating to Fort Drum, New  
16 York, by striking “\$18,000,000” in the amount col-  
17 umn and inserting “\$21,000,000”;

18 (3) in the item relating to Fort Hood, Texas,  
19 by striking “\$36,492,000” in the amount column  
20 and inserting “\$39,492,000”; and

21 (4) by striking the amount identified as the  
22 total in the amount column and inserting  
23 “\$626,374,000”.

24 (b) CONFORMING AMENDMENTS.—Section 2104 of  
25 that Act (114 Stat. 1654A–391) is amended—

1 (1) in subsection (a), in the matter preceding  
 2 paragraph (1), by striking “\$1,925,344,000” and in-  
 3 serting “\$1,935,744,000”; and

4 (2) in subsection (b)—

5 (A) in paragraph (2), by striking  
 6 “\$22,600,000” and inserting “\$27,000,000”;

7 (B) in paragraph (3), by striking  
 8 “\$10,000,000” and inserting “\$13,000,000”;  
 9 and

10 (C) in paragraph (6), by striking  
 11 “\$6,000,000” and inserting “\$9,000,000”.

12 **TITLE XXII—NAVY**

13 **SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND**  
 14 **ACQUISITION PROJECTS.**

15 (a) **INSIDE THE UNITED STATES.**—Using amounts  
 16 appropriated pursuant to the authorization of appropria-  
 17 tions in section 2204(a)(1), the Secretary of the Navy may  
 18 acquire real property and carry out military construction  
 19 projects for the installations and locations inside the  
 20 United States, and in the amounts, set forth in the fol-  
 21 lowing table:

**Navy: Inside the United States**

<b>State</b>	<b>Installation or location</b>	<b>Amount</b>
Arizona .....	Marine Corps Air Station, Yuma .....	\$22,570,000
California .....	Marine Air-Ground Task Force Training Center, Twentynine Palms.	\$75,125,000
	Marine Corps Air Station, Camp Pen- dleton.	\$4,470,000
	Marine Corps Base, Camp Pendleton .....	\$96,490,000
	Naval Air Facility, El Centro .....	\$23,520,000
	Naval Air Station, Lemoore .....	\$10,010,000

## Navy: Inside the United States—Continued

State	Installation or location	Amount
	Naval Air Warfare Center, Point Mugu, San Nicholas Island.	\$13,730,000
	Naval Amphibious Base, Coronado .....	\$8,610,000
	Naval Construction Battalion Center, Port Hueneme.	\$12,400,000
	Naval Construction Training Center, Port Hueneme.	\$3,780,000
	Naval Station, San Diego .....	\$47,240,000
District of Columbia .....	Naval Air Facility, Washington .....	\$9,810,000
Florida .....	Naval Air Station, Key West .....	\$11,400,000
	Naval Air Station, Pensacola .....	\$3,700,000
	Naval Air Station, Whiting Field, Milton	\$2,140,000
	Naval Station, Mayport .....	\$16,420,000
Hawaii .....	Marine Corps Base, Kaneohe .....	\$24,920,000
	Naval Magazine, Lualualei .....	\$6,000,000
	Naval Shipyard, Pearl Harbor .....	\$20,000,000
	Naval Station, Pearl Harbor .....	\$54,700,000
	Navy Public Works Center, Pearl Harbor.	\$16,900,000
Illinois .....	Naval Training Center, Great Lakes .....	\$82,260,000
Indiana .....	Naval Surface Warfare Center, Crane .....	\$5,820,000
Maine .....	Naval Air Station, Brunswick .....	\$67,395,000
	Naval Shipyard, Kittery-Portsmouth .....	\$14,620,000
Maryland .....	Naval Air Warfare Center, Patuxent River.	\$2,260,000
	Naval Explosive Ordnance Disposal Technology Center, Indian Head.	\$1,250,000
Mississippi .....	Naval Construction Battalion Center, Gulfport.	\$21,660,000
	Naval Air Station, Meridian .....	\$3,370,000
	Naval Station, Pascagoula .....	\$4,680,000
Missouri .....	Marine Corp Support Activity, Kansas City.	\$9,010,000
Nevada .....	Naval Air Station, Fallon .....	\$6,150,000
New Jersey .....	Naval Weapons Station, Earle .....	\$4,370,000
North Carolina .....	Marine Corps Air Station, New River .....	\$4,050,000
	Marine Corps Base, Camp LeJeune .....	\$67,070,000
Rhode Island .....	Naval Station, Newport .....	\$15,290,000
	Naval Undersea Warfare Center, Newport.	\$9,370,000
South Carolina .....	Marine Corps Air Station, Beaufort .....	\$8,020,000
	Marine Corps Recruit Depot, Parris Island.	\$5,430,000
Tennessee .....	Naval Support Activity, Millington .....	\$3,900,000
Texas .....	Naval Air Station, Kingsville .....	\$6,160,000
Virginia .....	Marine Corps Air Facility, Quantico .....	\$3,790,000
	Marine Corps Combat Development Command, Quantico.	\$9,390,000
	Naval Station, Norfolk .....	\$139,270,000
Washington .....	Naval Air Station, Whidbey Island .....	\$7,370,000
	Naval Station, Everett .....	\$6,820,000
	Strategic Weapons Facility, Bangor .....	\$3,900,000
	Total: .....	\$996,610,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts  
2 appropriated pursuant to the authorization of appropria-  
3 tions in section 2204(a)(2), the Secretary of the Navy may

- 1 acquire real property and carry out military construction  
 2 projects for the locations outside the United States, and  
 3 in the amounts, set forth in the following table:

**Navy: Outside the United States**

Country	Installation or location	Amount
Greece .....	Naval Support Activity Joint Headquarters Command, Larissa.	\$12,240,000
	Naval Support Activity, Souda Bay .....	\$3,210,000
Guam .....	Naval Station, Guam .....	\$9,300,000
	Navy Public Works Center, Guam .....	\$14,800,000
Iceland .....	Naval Air Station, Keflavik .....	\$2,820,000
Italy .....	Naval Air Station, Sigonella .....	\$3,060,000
Spain .....	Naval Station, Rota .....	\$2,240,000
	Total: .....	\$47,670,000

4 **SEC. 2202. FAMILY HOUSING.**

- 5 (a) CONSTRUCTION AND ACQUISITION.—Using  
 6 amounts appropriated pursuant to the authorization of ap-  
 7 propriations in section 2204(a)(5)(A), the Secretary of the  
 8 Navy may construct or acquire family housing units (in-  
 9 cluding land acquisition) at the installations, for the pur-  
 10 poses, and in the amounts set forth in the following table:

**Navy: Family Housing**

State or country	Installation or location	Purpose	Amount
Arizona .....	Marine Corps Air Station, Yuma.	51 Units .....	\$9,017,000
California .....	Marine Air-Ground Task Force Training Center, Twentynine Palms.	74 Units .....	\$16,250,000
Hawaii .....	Marine Corps Base, Kaneohe.	172 Units .....	\$55,187,000
	Naval Station, Pearl Harbor.	70 Units .....	\$16,827,000
Mississippi .....	Naval Construction Battalion Center, Gulfport.	160 Units .....	\$23,354,000
Italy .....	Naval Air Station, Sigonella.	10 Units .....	\$2,403,000
		Total: .....	\$123,038,000

1 (b) PLANNING AND DESIGN.—Using amounts appro-  
2 priated pursuant to the authorization of appropriations in  
3 section 2204(a)(5)(A), the Secretary of the Navy may  
4 carry out architectural and engineering services and con-  
5 struction design activities with respect to the construction  
6 or improvement of military family housing units in an  
7 amount not to exceed \$6,499,000.

8 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**  
9 **UNITS.**

10 Subject to section 2825 of title 10, United States  
11 Code, and using amounts appropriated pursuant to the  
12 authorization of appropriations in section 2204(a)(5)(A),  
13 the Secretary of the Navy may improve existing military  
14 family housing units in an amount not to exceed  
15 \$183,054,000.

16 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

17 (a) IN GENERAL.—Funds are hereby authorized to  
18 be appropriated for fiscal years beginning after September  
19 30, 2001, for military construction, land acquisition, and  
20 military family housing functions of the Department of the  
21 Navy in the total amount of \$2,377,634,000, as follows:

22 (1) For military construction projects inside the  
23 United States authorized by section 2201(a),  
24 \$963,370,000.

1           (2) For military construction projects outside  
2 the United States authorized by section 2201(b),  
3 \$47,670,000.

4           (3) For unspecified minor construction projects  
5 authorized by section 2805 of title 10, United States  
6 Code, \$10,546,000.

7           (4) For architectural and engineering services  
8 and construction design under section 2807 of title  
9 10, United States Code, \$35,752,000.

10          (5) For military family housing functions:

11           (A) For construction and acquisition, plan-  
12 ning and design, and improvement of military  
13 family housing and facilities, \$312,591,000.

14           (B) For support of military family housing  
15 (including functions described in section 2833  
16 of title 10, United States Code), \$918,095,000.

17          (6) For replacement of a pier at Naval Station,  
18 San Diego, California, authorized in section 2201(a)  
19 of the Military Construction Authorization Act for  
20 Fiscal Year 2001 (division B of the Floyd D. Spence  
21 National Defense Authorization Act for Fiscal Year  
22 2001 (as enacted by Public Law 106–398); 114  
23 Stat. 1654A–395), \$17,500,000.

24          (7) For replacement of Pier Delta at Naval  
25 Station, Bremerton, Washington, authorized in sec-

1       tion 2201(a) of the Military Construction Authoriza-  
2       tion Act for Fiscal Year 2001, \$24,460,000.

3           (8) For construction of the Commander-in-  
4       Chief Headquarters, Pacific Command, Camp  
5       Smith, Hawaii, authorized in section 2201(a) of the  
6       Military Construction Authorization Act for Fiscal  
7       Year 2000 (division B of Public Law 106–65; 113  
8       Stat. 828), \$37,580,000.

9           (9) For construction of an Advanced Systems  
10      Integration Facility, phase 6, at Naval Air Warfare  
11      Center, Patuxent River, Maryland, authorized in sec-  
12      tion 2201(a) of the Military Construction Authoriza-  
13      tion Act for Fiscal Year 1993 (division B of Public  
14      Law 102–484; 106 Stat. 2590), \$10,770,000.

15      (b) LIMITATION ON TOTAL COST OF CONSTRUCTION  
16      PROJECTS.—Notwithstanding the cost variations author-  
17      ized by section 2853 of title 10, United States Code, and  
18      any other cost variation authorized by law, the total cost  
19      of all projects carried out under section 2201 of this Act  
20      may not exceed—

21           (1) the total amount authorized to be appro-  
22      priated under paragraphs (1) and (2) of subsection  
23      (a); and

1           (2) \$33,240,000 (the balance of the amount au-  
2           thorized under section 2201(a) for Pier Replacement  
3           (Increment I), Naval Station, Norfolk, Virginia).

4           (c) ADJUSTMENT.—The total amount authorized to  
5           be appropriated pursuant to paragraphs (1) through (5)  
6           of subsection (a) is the sum of the amounts authorized  
7           to be appropriated in such paragraphs reduced by  
8           \$700,000, which represents savings resulting from adjust-  
9           ments to foreign currency exchange rates for military fam-  
10          ily housing construction and military family housing sup-  
11          port outside the United States.

12       **SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT**  
13                               **CERTAIN FISCAL YEAR 2001 PROJECTS.**

14          The table in section 2201(a) of the Military Construc-  
15          tion Authorization Act for Fiscal Year 2001 (division B  
16          of the Floyd D. Spence National Defense Authorization  
17          Act for Fiscal Year 2001 (as enacted by Public Law 106–  
18          398); 114 Stat. 1654A–395) is amended—

19               (1) in the item relating to Naval Shipyard,  
20               Bremerton, Puget Sound, Washington, by striking  
21               “\$100,740,000” in the amount column and inserting  
22               “\$98,740,000”;

23               (2) in the item relating to Naval Station, Brem-  
24               erton, Washington, by striking “\$11,930,000” in the  
25               amount column and inserting “\$1,930,000”; and

1           (3) by striking the amount identified as the  
2           total in the amount column and inserting  
3           “\$799,497,000”.

4   **SEC. 2206. MODIFICATION OF AUTHORITY TO CARRY OUT**  
5                           **FISCAL YEAR 2000 PROJECT.**

6           (a) MODIFICATION.—The table in section 2201(a) of  
7           the Military Construction Authorization Act for Fiscal  
8           Year 2000 (division B of Public Law 106–65; 113 Stat.  
9           828) is amended—

10           (1) in the item relating to Camp Smith, Ha-  
11           waii, by striking “\$86,050,000” in the amount col-  
12           umn and inserting “\$89,050,000”; and

13           (2) by striking the amount identified as the  
14           total in the amount column and inserting  
15           “\$820,230,000”.

16           (b) CONFORMING AMENDMENT.—Section 2204(b)(3)  
17           of that Act (113 Stat. 831) is amended by striking  
18           “\$70,180,000” and inserting “\$73,180,000”.

19                           **TITLE XXIII—AIR FORCE**

20   **SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND**  
21                           **LAND ACQUISITION PROJECTS.**

22           (A) INSIDE THE UNITED STATES.—Using amounts  
23           appropriated pursuant to the authorization of appropria-  
24           tions in section 2304(a)(1), the Secretary of the Air Force  
25           may acquire real property and carry out military construc-

1 tion projects for the installations and locations inside the  
 2 United States, and in the amounts, set forth in the fol-  
 3 lowing table:

**Air Force: Inside the United States**

State	Installation or location	Amount
Alabama .....	Maxwell Air Force Base .....	\$34,400,000
Alaska .....	Eareckson Air Force Base .....	\$4,600,000
	Elmendorf Air Force Base .....	\$32,200,000
Arizona .....	Davis-Monthan Air Force Base .....	\$17,300,000
Arkansas .....	Little Rock Air Force Base .....	\$18,100,000
California .....	Edwards Air Force Base .....	\$16,300,000
	Los Angeles Air Force Base .....	\$23,000,000
	Travis Air Force Base .....	\$16,400,000
	Vandenberg Air Force Base .....	\$11,800,000
Colorado .....	Buckley Air Force Base .....	\$23,200,000
	Schriever Air Force Base .....	\$19,000,000
	United States Air Force Academy ...	\$25,500,000
Delaware .....	Dover Air Force Base .....	\$7,300,000
District of Columbia .....	Bolling Air Force Base .....	\$2,900,000
Florida .....	Cape Canaveral Air Force Station ...	\$7,800,000
	Eglin Air Force Base .....	\$11,400,000
	Hurlburt Field .....	\$10,400,000
	MacDill Air Force Base .....	\$10,000,000
	Tyndall Air Force Base .....	\$15,050,000
Georgia .....	Moody Air Force Base .....	\$8,600,000
	Robins Air Force Base .....	\$14,650,000
Idaho .....	Mountain Home Air Force Base .....	\$14,600,000
Louisiana .....	Barksdale Air Force Base .....	\$5,000,000
Maryland .....	Andrews Air Force Base .....	\$19,420,000
Massachusetts .....	Hanscom Air Force Base .....	\$9,400,000
Mississippi .....	Columbus Air Force Base .....	\$5,000,000
	Keesler Air Force Base .....	\$28,600,000
Montana .....	Malmstrom Air Force Base .....	\$4,650,000
Nebraska .....	Offet Air Force Base .....	\$10,400,000
Nevada .....	Nellis Air Force Base .....	\$31,600,000
New Jersey .....	McGuire Air Force Base .....	\$36,550,000
New Mexico .....	Cannon Air Force Base .....	\$9,400,000
	Kirtland Air Force Base .....	\$15,500,000
North Carolina .....	Pope Air Force Base .....	\$17,800,000
North Dakota .....	Grand Forks Air Force Base .....	\$7,800,000
Ohio .....	Wright-Patterson Air Force Base ...	\$24,850,000
Oklahoma .....	Altus Air Force Base .....	\$20,200,000
	Tinker Air Force Base .....	\$21,400,000
	Vance Air Force Base .....	\$4,800,000
South Carolina .....	Shaw Air Force Base .....	\$5,800,000
South Dakota .....	Ellsworth Air Force Base .....	\$12,000,000
Tennessee .....	Arnold Air Force Base .....	\$24,400,000
Texas .....	Lackland Air Force Base .....	\$12,800,000
	Laughlin Air Force Base .....	\$12,000,000
	Sheppard Air Force Base .....	\$37,000,000
Utah .....	Hill Air Force Base .....	\$14,000,000
Virginia .....	Langley Air Force Base .....	\$47,300,000
Washington .....	Fairchild Air Force Base .....	\$2,800,000
	McChord Air Force Base .....	\$20,700,000
Wyoming .....	F.E. Warren Air Force Base .....	\$10,200,000
	Total: .....	\$811,370,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts  
 2 appropriated pursuant to the authorization of appropria-  
 3 tions in section 2304(a)(2), the Secretary of the Air Force  
 4 may acquire real property and carry out military construc-  
 5 tion projects for the installations and locations outside the  
 6 United States, and in the amounts, set forth in the fol-  
 7 lowing table:

**Air Force: Outside the United States**

Country	Installation or location	Amount
Germany .....	Ramstein Air Force Base .....	\$42,900,000
	Spangdahlem Air Base .....	\$8,700,000
Guam .....	Andersen Air Force Base .....	\$10,150,000
Italy .....	Aviano Air Base .....	\$11,800,000
Korea .....	Kunsan Air Base .....	\$12,000,000
	Osan Air Base .....	\$101,142,000
Turkey .....	Eskisehir .....	\$4,000,000
United Kingdom .....	Royal Air Force, Lakenheath .....	\$11,300,000
	Royal Air Force, Mildenhall .....	\$22,400,000
Wake Island .....	Wake Island .....	\$25,000,000
	Total: .....	\$249,392,000

8 (c) UNSPECIFIED WORLDWIDE.—Using the amounts  
 9 appropriated pursuant to the authorization of appropria-  
 10 tions in section 2304(a)(3), the Secretary of the Air Force  
 11 may acquire real property and carry out military construc-  
 12 tion projects for the installation and location and in the  
 13 amount, set forth in the following table:

**Air Force: Unspecified Worldwide**

Location	Installation	Amount
Unspecified Worldwide .....	Classified Location .....	\$4,458,000

14 **SEC. 2302. FAMILY HOUSING.**

15 (a) CONSTRUCTION AND ACQUISITION.—Using  
 16 amounts appropriated pursuant to the authorization of ap-

1 appropriations in section 2304(a)(6)(A), the Secretary of the  
 2 Air Force may construct or acquire family housing units  
 3 (including land acquisition) at the installations, for the  
 4 purposes, and in the amounts set forth in the following  
 5 table:

**Air Force: Family Housing**

State or country	Installation or location	Purpose	Amount
Arizona .....	Luke Air Force Base ..	120 Units .....	\$15,712,000
California .....	Travis Air Force Base	118 Units .....	\$18,150,000
Colorado .....	Buckley Air Force Base.	55 Units .....	\$11,400,000
Delaware .....	Dover Air Force Base	120 Units .....	\$18,145,000
District of Columbia .....	Bolling Air Force Base	136 Units .....	\$16,926,000
Hawaii .....	Hickam Air Force Base.	102 Units .....	\$25,037,000
Louisiana .....	Barksdale Air Force Base.	56 Units .....	\$7,300,000
South Dakota .....	Ellsworth Air Force Base.	78 Units .....	\$13,700,000
Virginia .....	Langley Air Force Base.	4 Units .....	\$1,200,000
Portugal .....	Lajes Field, Azores .....	64 Units .....	\$13,230,000
		Total: .....	\$140,800,000

6 (b) **PLANNING AND DESIGN.**—Using amounts appro-  
 7 priated pursuant to the authorization of appropriations in  
 8 section 2304(a)(6)(A), the Secretary of the Air Force may  
 9 carry out architectural and engineering services and con-  
 10 struction design activities with respect to the construction  
 11 or improvement of military family housing units in an  
 12 amount not to exceed \$24,558,000.

13 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**  
 14 **UNITS.**

15 Subject to section 2825 of title 10, United States  
 16 Code, and using amounts appropriated pursuant to the  
 17 authorization of appropriations in section 2304(a)(6)(A),

1 the Secretary of the Air Force may improve existing mili-  
2 tary family housing units in an amount not to exceed  
3 \$375,379,000.

4 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**  
5 **FORCE.**

6 (a) IN GENERAL.—Funds are hereby authorized to  
7 be appropriated for fiscal years beginning after September  
8 30, 2001, for military construction, land acquisition, and  
9 military family housing functions of the Department of the  
10 Air Force in the total amount of \$2,579,791,000, as fol-  
11 lows:

12 (1) For military construction projects inside the  
13 United States authorized by section 2301(a),  
14 \$816,070,000.

15 (2) For military construction projects outside  
16 the United States authorized by section 2301(b),  
17 \$249,392,000.

18 (3) For the military construction projects at  
19 unspecified worldwide locations authorized by section  
20 2301(c), \$4,458,000.

21 (4) For unspecified minor construction projects  
22 authorized by section 2805 of title 10, United States  
23 Code, \$11,250,000.

1           (5) For architectural and engineering services  
2           and construction design under section 2807 of title  
3           10, United States Code, \$90,419,000.

4           (6) For military housing functions:

5                 (A) For construction and acquisition, plan-  
6                 ning and design, and improvement of military  
7                 family housing and facilities, \$542,381,000.

8                 (B) For support of military family housing  
9                 (including functions described in section 2833  
10                of title 10, United States Code), \$869,121,000.

11           (b) LIMITATION ON TOTAL COST OF CONSTRUCTION  
12 PROJECTS.—Notwithstanding the cost variations author-  
13 ized by section 2853 of title 10, United States Code, and  
14 any other cost variation authorized by law, the total cost  
15 of all projects carried out under section 2301 of this Act  
16 may not exceed the total amount authorized to be appro-  
17 priated under paragraphs (1), (2), and (3) of subsection  
18 (a).

19           (c) ADJUSTMENT.—The total amount authorized to  
20 be appropriated pursuant to paragraphs (1) through (6)  
21 of subsection (a) is the sum of the amounts authorized  
22 to be appropriated in such paragraphs reduced by  
23 \$3,300,000, which represents savings resulting from ad-  
24 justments to foreign currency exchange rates for military

1 family housing construction and military family housing  
 2 support outside the United States.

3 **SEC. 2305. MODIFICATION OF AUTHORITY TO CARRY OUT**  
 4 **CERTAIN FISCAL YEAR 2001 PROJECT.**

5 The table in section 2302(a) of the Military Construc-  
 6 tion Authorization Act for Fiscal Year 2001 (division B  
 7 of the Floyd D. Spence National Defense Authorization  
 8 Act for Fiscal Year 2001 (as enacted by Public Law 106–  
 9 398); 114 Stat. 1654A–400) is amended in the item relat-  
 10 ing to Mountain Home Air Force Base, Idaho, by striking  
 11 “119 Units” in the purpose column and inserting “46  
 12 Units”.

13 **TITLE XXIV—DEFENSE**  
 14 **AGENCIES**

15 **SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUC-**  
 16 **TION AND LAND ACQUISITION PROJECTS.**

17 (a) **INSIDE THE UNITED STATES.**—Using amounts  
 18 appropriated pursuant to the authorization of appropria-  
 19 tions in section 2403(a)(1), the Secretary of Defense may  
 20 acquire real property and carry out military construction  
 21 projects for the installations and locations inside the  
 22 United States, and in the amounts, set forth in the fol-  
 23 lowing table:

**Defense Agencies: Inside the United States**

Agency	Installation or location	Amount
Defense Education Activity ..	Laurel Bay, South Carolina ..... Marine Corps Base, Camp LeJeune, North Carolina .....	\$12,850,000 \$8,857,000

**Defense Agencies: Inside the United States**—Continued

<b>Agency</b>	<b>Installation or location</b>	<b>Amount</b>	
Defense Logistics Agency .....	Defense Distribution Depot Tracy, California .....	\$30,000,000	
	Defense Distribution Depot, Susquehanna, New Cumberland, Pennsylvania .....	\$19,900,000	
	Eielson Air Force Base, Alaska .....	\$8,800,000	
	Fort Belvoir, Virginia .....	\$900,000	
	Grand Forks Air Force Base, North Dakota .....	\$9,110,000	
	Hickam Air Force Base, Hawaii .....	\$29,200,000	
	McGuire Air Force Base, New Jersey .....	\$4,400,000	
	Minot Air Force Base, North Dakota .....	\$14,000,000	
	Philadelphia, Pennsylvania .....	\$2,429,000	
	Pope Air Force Base, North Carolina .....	\$3,400,000	
	Special Operations Command	Aberdeen Proving Ground, Maryland	\$3,200,000
		Fort Benning, Georgia .....	\$5,100,000
		Fort Bragg, North Carolina .....	\$33,562,000
		Fort Lewis, Washington .....	\$6,900,000
Hurlburt Field, Florida .....		\$13,400,000	
MacDill Air Force Base, Florida .....		\$12,000,000	
Naval Station, San Diego, California		\$13,650,000	
CONUS Classified .....		\$2,400,000	
TRICARE Management Activity.	Andrews Air Force Base, Maryland	\$10,250,000	
	Dyess Air Force Base, Texas .....	\$3,300,000	
	F.E. Warren Air Force Base, Wyoming .....	\$2,700,000	
	Fort Hood, Texas .....	\$12,200,000	
	Fort Stewart/Hunter Army Air Field, Georgia .....	\$11,000,000	
	Holloman Air Force Base, New Mexico .....	\$5,700,000	
	Hurlburt Field, Florida .....	\$8,800,000	
	Marine Corps Base, Camp Pendleton, California .....	\$15,300,000	
	Marine Corps Logistics Base, Albany, Georgia .....	\$5,800,000	
	Naval Air Station, Whidbey Island, Washington .....	\$6,600,000	
	Naval Hospital, Twentynine Palms, California .....	\$1,600,000	
	Naval Station, Mayport, Florida .....	\$24,000,000	
	Naval Station, Norfolk, Virginia .....	\$21,000,000	
	Sehriever Air Force Base, Colorado	\$4,000,000	
	Pentagon Reservation, Virginia .....	\$25,000,000	
	Washington Headquarters Services.		
		Total: .....	\$391,308,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts  
2 appropriated pursuant to the authorization of appropria-  
3 tions in section 2403(a)(2), the Secretary of Defense may  
4 acquire real property and carry out military construction

1 projects for the installations and locations outside the  
 2 United States, and in the amounts, set forth in the fol-  
 3 lowing table:

**Defense Agencies: Outside the United States**

Agency	Installation or location	Amount
Defense Education Activity ..	Aviano Air Base, Italy .....	\$3,647,000
	Geilenkirchen, Germany .....	\$1,733,000
	Heidelberg, Germany .....	\$3,312,000
	Kaiserslautern, Germany .....	\$1,439,000
	Kitzingen, Germany .....	\$1,394,000
	Landstuhl, Germany .....	\$1,444,000
	Ramstein Air Base, Germany .....	\$2,814,000
	Royal Air Force, Feltwell, United Kingdom .....	\$22,132,000
	Vogelweh Annex, Germany .....	\$1,558,000
	Wiesbaden Air Base, Germany .....	\$1,378,000
Defense Logistics Agency .....	Wuerzburg, Germany .....	\$2,684,000
	Andersen Air Force Base, Guam .....	\$20,000,000
	Camp Casey, Korea .....	\$5,500,000
	Naval Station, Rota, Spain .....	\$3,000,000
Office of Secretary of Defense.	Yokota Air Base, Japan .....	\$13,000,000
	Comalapa Air Base, El Salvador .....	\$12,577,000
TRICARE Management Activity.	Heidelberg, Germany .....	\$28,000,000
	Lajes Field, Azores, Portugal .....	\$3,750,000
	Thule, Greenland .....	\$10,800,000
Total: .....		\$140,162,000

4 **SEC. 2402. ENERGY CONSERVATION PROJECTS.**

5 Using amounts appropriated pursuant to the author-  
 6 ization of appropriations in section 2405(a)(6), the Sec-  
 7 retary of Defense may carry out energy conservation  
 8 projects under section 2865 of title 10, United States  
 9 Code, in the amount of \$35,600,000.

10 **SEC. 2403. AUTHORIZATION OF APPROPRIATIONS, DE-**  
 11 **FENSE AGENCIES.**

12 (a) IN GENERAL.—Funds are hereby authorized to  
 13 be appropriated for fiscal years beginning after September  
 14 30, 2001, for military construction, land acquisition, and

1 military family housing functions of the Department of  
2 Defense (other than the military departments), in the total  
3 amount of \$1,492,956,000, as follows:

4 (1) For military construction projects inside the  
5 United States authorized by section 2401(a),  
6 \$391,308,000.

7 (2) For military construction projects outside  
8 the United States authorized by section 2401(b),  
9 \$140,162,000.

10 (3) For unspecified minor construction projects  
11 under section 2805 of title 10, United States Code,  
12 \$24,492,000.

13 (4) For contingency construction projects of the  
14 Secretary of Defense under section 2804 of title 10,  
15 United States Code, \$10,000,000.

16 (5) For architectural and engineering services  
17 and construction design under section 2807 of title  
18 10, United States Code, \$87,382,000.

19 (6) For energy conservation projects authorized  
20 by section 2402 of this Act, \$35,600,000.

21 (7) For base closure and realignment activities  
22 as authorized by the Defense Base Closure and Re-  
23 alignment Act of 1990 (part A of title XXIX of  
24 Public Law 101–510; 10 U.S.C. 2687 note),  
25 \$592,200,000.

1 (8) For military family housing functions:

2 (A) For improvement of military family  
3 housing and facilities, \$250,000.

4 (B) For support of military family housing  
5 (including functions described in section 2833  
6 of title 10, United States Code), \$43,762,000 of  
7 which not more than \$37,298,000 may be obli-  
8 gated or expended for the leasing of military  
9 family housing units worldwide.

10 (C) For credit to the Department of De-  
11 fense Family Housing Improvement Fund es-  
12 tablished by section 2883(a)(1) of title 10,  
13 United States Code, \$2,000,000.

14 (9) For construction of the Ammunition Demili-  
15 tarization Facility Phase 6, Pine Bluff Arsenal, Ar-  
16 kansas, authorized in section 2401(a) of the Military  
17 Construction Authorization Act for Fiscal Year 1995  
18 (division B of Public Law 103-337; 108 Stat.  
19 3040), as amended by section 2407 of the Military  
20 Construction Authorization Act for Fiscal Year 1996  
21 (division B of Public Law 104-106; 110 Stat. 538),  
22 section 2408 of the Military Construction Authoriza-  
23 tion Act for Fiscal Year 1998 (division B of Public  
24 Law 105-85; 111 Stat. 1982), section 2406 of the  
25 Military Construction Authorization Act for Fiscal

1 Year 1999 (division B of Public Law 105–261; 112  
2 Stat. 2197), and section 2408 of this Act,  
3 \$26,000,000.

4 (10) For construction of the Ammunition De-  
5 militarization Facility Phase 3, Pueblo Army Depot,  
6 Colorado, authorized in section 2401(a) of the Mili-  
7 tary Construction Authorization Act for Fiscal Year  
8 1997 (division B of Public Law 104–201; 110 Stat.  
9 2775), as amended by section 2406 of the Military  
10 Construction Authorization Act for Fiscal Year 2000  
11 (division B of Public Law 106–65; 113 Stat. 839),  
12 \$11,000,000.

13 (11) For construction of the Ammunition De-  
14 militarization Facility Phase 4, Newport Army  
15 Depot, Indiana, authorized in section 2401(a) of the  
16 Military Construction Authorization Act for Fiscal  
17 Year 1999 (division B of Public Law 105–261; 112  
18 Stat. 2193), \$66,000,000.

19 (12) For construction of the Ammunition De-  
20 militarization Facility phase 4, Aberdeen Proving  
21 Ground, Maryland, authorized in section 2401(a) of  
22 the Military Construction Authorization Act for Fis-  
23 cal Year 1999 (112 Stat. 2193), as amended by sec-  
24 tion 2407 of this Act, \$66,500,000.

1           (13) For construction of the Ammunition De-  
2           militarization Facility Phase 2, Blue Grass Army  
3           Depot, Kentucky, authorized in section 2401(a) of  
4           the Military Construction Authorization Act for Fis-  
5           cal Year 2000 (division B of Public Law 106–65;  
6           113 Stat. 835), as amended by section 2406 of this  
7           Act, \$3,000,000.

8           (b) LIMITATION ON TOTAL COST OF CONSTRUCTION  
9           PROJECTS.—Notwithstanding the cost variations author-  
10          ized by section 2853 of title 10, United States Code, and  
11          any other cost variation authorized by law, the total cost  
12          of all projects carried out under section 2401 of this Act  
13          may not exceed the total amount authorized to be appro-  
14          priated under paragraphs (1) and (2) of subsection (a).

15          (c) ADJUSTMENT.—The total amount authorized to  
16          be appropriated pursuant to paragraphs (1) through (8)  
17          of subsection (a) is the sum of the amounts authorized  
18          to be appropriated in such paragraphs reduced by  
19          \$1,700,000, which represents savings resulting from ad-  
20          justments to foreign currency exchange rates for military  
21          family housing construction and military family housing  
22          support outside the United States.

1 **SEC. 2404. CANCELLATION OF AUTHORITY TO CARRY OUT**  
2 **CERTAIN FISCAL YEAR 2001 PROJECTS.**

3 (a) CANCELLATION OF PROJECTS AT CAMP PEN-  
4 DLETON, CALIFORNIA.—(1) The table in section 2401(a)  
5 of the Military Construction Authorization Act for Fiscal  
6 Year 2001 (division B of the Floyd D. Spence National  
7 Defense Authorization Act for Fiscal Year 2001 (as en-  
8 acted by Public Law 106–398); 114 Stat. 1654A–402) is  
9 amended—

10 (A) by striking the item relating to Marine  
11 Corps Base, Camp Pendleton, California, under the  
12 heading TRICARE Management Activity; and

13 (B) by striking the amount identified as the  
14 total in the amount column and inserting  
15 “\$242,756,000”.

16 (2) Of the amount authorized to be appropriated by  
17 section 2403(a) of that Act (114 Stat. 1654A–404), and  
18 paragraph (1) of that section, \$14,150,000 shall be avail-  
19 able for purposes relating to construction of the Ports-  
20 mouth Naval Hospital, Virginia, as authorized by section  
21 2401(a) of the Military Construction Authorization Act  
22 for Fiscal Years 1990 and 1991 (division B of Public Law  
23 101–189). Such amount is the amount authorized to be  
24 appropriated by section 2403(a) of the Military Construc-  
25 tion Authorization Act for Fiscal Year 2001 for purposes

1 authorized in section 2401(a) of that Act relating to Ma-  
2 rine Corps Base, Camp Pendleton, California.

3 (b) CONFORMING AMENDMENTS.—Section 2403(a)  
4 of that Act is amended—

5 (1) in the matter preceding paragraph (1), by  
6 striking “\$1,883,902,000” and inserting  
7 “\$1,828,902,000”; and

8 (2) in paragraph (3), by striking  
9 “\$85,095,000” and inserting “\$30,095,000”.

10 **SEC. 2405. CANCELLATION OF AUTHORITY TO CARRY OUT**  
11 **ADDITIONAL FISCAL YEAR 2001 PROJECT.**

12 (a) CANCELLATION OF AUTHORITY.—Section  
13 2401(c) the Military Construction Authorization Act for  
14 Fiscal Year 2001 (division B of the Floyd D. Spence Na-  
15 tional Defense Authorization Act for Fiscal Year 2001 (as  
16 enacted by Public Law 106–398); 114 Stat. 1654A–404)  
17 is amended by striking “\$451,135,000” and inserting  
18 “\$30,095,000”.

19 (b) CONFORMING AMENDMENTS.—Section 2403 of  
20 that Act is amended—

21 (1) in subsection (a)—

22 (A) in the matter preceding paragraph (1),  
23 by striking “\$1,883,902,000” and inserting  
24 “\$1,828,902,000”; and

1 (B) in paragraph (3), by striking  
2 “\$85,095,000” and inserting “\$30,095,000”;  
3 and

4 (2) in subsection (b), by striking “may not ex-  
5 ceed—” and all that follows through the end of the  
6 subsection and inserting “may not exceed the total  
7 amount authorized to be appropriated under para-  
8 graphs (1) and (2) of subsection (a).”.

9 **SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT**  
10 **CERTAIN FISCAL YEAR 2000 PROJECTS.**

11 (a) MODIFICATION.—The table in section 2401(a) of  
12 the Military Construction Authorization Act for Fiscal  
13 Year 2000 (division B of Public Law 106–65; 113 Stat.  
14 835) is amended—

15 (1) in the item under the heading Chemical De-  
16 militarization relating to Blue Grass Army Depot,  
17 Kentucky, by striking “\$206,800,000” and inserting  
18 “\$254,030,000”;

19 (2) under the heading relating to TRICARE  
20 Management Agency—

21 (A) in the item relating to Fort Wain-  
22 wright, Alaska, by striking “\$133,000,000” and  
23 inserting “\$215,000,000”; and

24 (B) by striking the item relating to Naval  
25 Air Station, Whidbey Island, Washington; and

1           (3) by striking the amount identified as the  
2           total in the amount column and inserting  
3           “\$711,950,000”.

4           (b) CONFORMING AMENDMENTS.—Section 2405(b)  
5           of that Act (113 Stat. 839) is amended—

6           (1) in paragraph (2), by striking  
7           “\$115,000,000” and inserting “\$197,000,000”; and

8           (2) in paragraph (3), by striking  
9           “\$184,000,000” and inserting “\$231,230,000”.

10          (c) TREATMENT OF AUTHORIZATION OF APPROPRIA-  
11          TIONS FOR CANCELED PROJECT.—Of the amount author-  
12          ized to be appropriated by section 2405(a) of that Act  
13          (113 Stat. 837), and paragraph (1) of that section,  
14          \$4,700,000 shall be available for purposes relating to con-  
15          struction of the Portsmouth Naval Hospital, Virginia, as  
16          authorized by section 2401(a) of the Military Construction  
17          Authorization Act for Fiscal Years 1990 and 1991 (divi-  
18          sion B of Public Law 101–189). Such amount is the  
19          amount authorized to be appropriated by section 2405(a)  
20          of the Military Construction Authorization Act for Fiscal  
21          Year 2000 for purposes authorized in section 2401(a) of  
22          that Act relating to Naval Air Station, Whidbey Island,  
23          Washington.

1 **SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT**  
2 **CERTAIN FISCAL YEAR 1999 PROJECT.**

3 (a) MODIFICATION.—The table in section 2401(a) of  
4 the Military Construction Authorization Act for Fiscal  
5 Year 1999 (division B of Public Law 105–261; 112 Stat.  
6 2193) is amended—

7 (1) in the item under the agency heading  
8 Chemical Demilitarization relating to Aberdeen  
9 Proving Ground, Maryland, by striking  
10 “\$186,350,000” in the amount column and inserting  
11 “\$223,950,000”; and

12 (2) by striking the amount identified as the  
13 total in the amount column and inserting  
14 “\$727,616,000”.

15 (b) CONFORMING AMENDMENT.—Section 2404(b)(3)  
16 of that Act (112 Stat. 2196) is amended by striking  
17 “\$158,000,000” and inserting “\$195,600,000”.

18 **SEC. 2408. MODIFICATION OF AUTHORITY TO CARRY OUT**  
19 **CERTAIN FISCAL YEAR 1995 PROJECT.**

20 The table in section 2401 of the Military Construc-  
21 tion Authorization Act for Fiscal Year 1995 (division B  
22 of Public Law 103–337; 108 Stat. 3040), as amended by  
23 section 2407 of the Military Construction Authorization  
24 Act for Fiscal Year 1996 (division B of Public Law 104–  
25 106; 110 Stat. 539), section 2408 of the Military Con-  
26 struction Authorization Act for Fiscal Year 1998 (division

1 B of Public Law 105–85; 111 Stat. 1982), and section  
2 2406 of the Military Construction Authorization Act for  
3 Fiscal Year 1999 (division B of Public Law 105–261; 112  
4 Stat. 2197), is further amended under the agency heading  
5 relating to Chemical Weapons and Munitions Destruction  
6 in the item relating to Pine Bluff Arsenal, Arkansas, by  
7 striking “\$154,400,000” in the amount column and in-  
8 serting “\$177,400,000”.

9 **TITLE XXV—NORTH ATLANTIC**  
10 **TREATY ORGANIZATION SE-**  
11 **CURITY INVESTMENT PRO-**  
12 **GRAM**

13 **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND**  
14 **ACQUISITION PROJECTS.**

15 The Secretary of Defense may make contributions for  
16 the North Atlantic Treaty Organization Security Invest-  
17 ment program as provided in section 2806 of title 10,  
18 United States Code, in an amount not to exceed the sum  
19 of the amount authorized to be appropriated for this pur-  
20 pose in section 2502 and the amount collected from the  
21 North Atlantic Treaty Organization as a result of con-  
22 struction previously financed by the United States.

23 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

24 Funds are hereby authorized to be appropriated for  
25 fiscal years beginning after September 30, 2001, for con-

1 tributions by the Secretary of Defense under section 2806  
2 of title 10, United States Code, for the share of the United  
3 States of the cost of projects for the North Atlantic Treaty  
4 Organization Security Investment program authorized by  
5 section 2501, in the amount of \$162,600,000.

6 **TITLE XXVI—GUARD AND**  
7 **RESERVE FORCES FACILITIES**

8 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUC-**  
9 **TION AND LAND ACQUISITION PROJECTS.**

10 There are authorized to be appropriated for fiscal  
11 years beginning after September 30, 2001, for the costs  
12 of acquisition, architectural and engineering services, and  
13 construction of facilities for the Guard and Reserve  
14 Forces, and for contributions therefor, under chapter  
15 1803 of title 10, United States Code (including the cost  
16 of acquisition of land for those facilities), the following  
17 amounts:

- 18 (1) For the Department of the Army—  
19 (A) for the Army National Guard of the  
20 United States, \$365,240,000; and  
21 (B) for the Army Reserve, \$111,404,000.  
22 (2) For the Department of the Navy, for the  
23 Naval and Marine Corps Reserve, \$33,641,000.  
24 (3) For the Department of the Air Force—

1 (A) for the Air National Guard of the  
2 United States, \$227,232,000; and

3 (B) for the Air Force Reserve,  
4 \$53,732,000.

5 **TITLE XXVII—EXPIRATION AND**  
6 **EXTENSION OF AUTHORIZA-**  
7 **TIONS**

8 **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**  
9 **AMOUNTS REQUIRED TO BE SPECIFIED BY**  
10 **LAW.**

11 (a) EXPIRATION OF AUTHORIZATIONS AFTER THREE  
12 YEARS.—Except as provided in subsection (b), all author-  
13 izations contained in titles XXI through XXVI for military  
14 construction projects, land acquisition, family housing  
15 projects and facilities, and contributions to the North At-  
16 lantic Treaty Organization Security Investment program  
17 (and authorizations of appropriations therefor) shall ex-  
18 pire on the later of—

19 (1) October 1, 2004; or

20 (2) the date of the enactment of an Act author-  
21 izing funds for military construction for fiscal year  
22 2005.

23 (b) EXCEPTION.—Subsection (a) shall not apply to  
24 authorizations for military construction projects, land ac-  
25 quisition, family housing projects and facilities, and con-

1 tributions to the North Atlantic Treaty Organization Se-  
2 curity Investment program (and authorizations of appro-  
3 priations therefor) for which appropriated funds have been  
4 obligated before the later of—

5 (1) October 1, 2004; or

6 (2) the date of the enactment of an Act author-  
7 izing funds for fiscal year 2005 for military con-  
8 struction projects, land acquisition, family housing  
9 projects and facilities, or contributions to the North  
10 Atlantic Treaty Organization Security Investment  
11 program.

12 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN**  
13 **FISCAL YEAR 1999 PROJECTS.**

14 (a) **EXTENSION.**—Notwithstanding section 2701 of  
15 the Military Construction Authorization Act for Fiscal  
16 Year 1999 (division B of Public Law 105–261; 112 Stat.  
17 2199), authorizations set forth in the tables in subsection  
18 (b), as provided in section 2302 or 2601 of that Act, shall  
19 remain in effect until October 1, 2002, or the date of the  
20 enactment of an Act authorizing funds for military con-  
21 struction for fiscal year 2003, whichever is later.

22 (b) **TABLES.**—The tables referred to in subsection (a)  
23 are as follows:

**Air Force: Extension of 1999 Project Authorizations**

<b>State</b>	<b>Installation or location</b>	<b>Project</b>	<b>Amount</b>
Delaware .....	Dover Air Force Base	Replace Family Housing (55 units).	\$8,998,000
Florida .....	Patrick Air Force Base	Replace Family Housing (46 units).	\$9,692,000
New Mexico .....	Kirtland Air Force Base.	Replace Family Housing (37 units).	\$6,400,000
Ohio .....	Wright-Patterson Air Force Base.	Replace Family Housing (40 units).	\$5,600,000

**Army National Guard: Extension of 1999 Project Authorizations**

<b>State</b>	<b>Installation or location</b>	<b>Project</b>	<b>Amount</b>
Massachusetts .....	Westfield .....	Army Aviation Support Facility.	\$9,274,000
South Carolina .....	Spartanburg .....	Readiness Center.	\$5,260,000

1 **SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN**  
2 **FISCAL YEAR 1998 PROJECTS.**

3 (a) **EXTENSION.**—Notwithstanding section 2701 of  
4 the Military Construction Authorization Act for Fiscal  
5 Year 1998 (division B of Public Law 105–85; 111 Stat.  
6 1984), authorizations set forth in the tables in subsection  
7 (b), as provided in section 2102, 2202, or 2302 of that  
8 Act and extended by section 2702 of the Military Con-  
9 struction Authorization Act for Fiscal Year 2001 (division  
10 B of the Floyd D. Spence National Defense Authorization  
11 Act for Fiscal Year 2001 (as enacted by Public Law 106–  
12 398; 114 Stat. 1654A–408)), shall remain in effect until  
13 October 1, 2002, or the date of the enactment of an Act

1 authorizing funds for military construction for fiscal year  
 2 2003, whichever is later.

3 (b) TABLES.—The tables referred to in subsection (a)  
 4 are as follows:

**Army: Extension of 1998 Project Authorization**

State	Installation or location	Project	Amount
Maryland .....	Fort Meade .....	Family Housing Construction (56 units).	\$7,900,000

**Navy: Extension of 1998 Project Authorizations**

State	Installation or location	Project	Amount
California .....	Naval Complex, San Diego.	Replacement Family Housing Construction (94 units).	\$13,500,000
California .....	Marine Corps Air Station, Miramar.	Family Housing Construction (166 units).	\$28,881,000
Louisiana .....	Naval Complex, New Orleans.	Replacement Family Housing Construction (100 units).	\$11,930,000
Texas .....	Naval Air Station, Corpus Christi.	Family Housing Construction (212 units).	\$22,250,000

**Air Force: Extension of 1998 Project Authorization**

State	Installation or location	Project	Amount
New Mexico .....	Kirtland Air Force Base.	Replace Family Housing (180 units).	\$20,900,000

5 **SEC. 2704. EFFECTIVE DATE.**

6 Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI  
 7 shall take effect on the later of—

- 8 (1) October 1, 2001; or
- 9 (2) the date of the enactment of this Act.

1           **TITLE XXVIII—GENERAL**  
2                   **PROVISIONS**  
3   **Subtitle A—Military Construction**  
4   **Program and Military Family**  
5   **Housing Changes**

6   **SEC. 2801. INCREASE IN THRESHOLDS FOR CERTAIN UN-**  
7                   **SPECIFIED MINOR MILITARY CONSTRUCTION**  
8                   **PROJECTS.**

9           (a) PROJECTS REQUIRING ADVANCE APPROVAL OF  
10 SECRETARY CONCERNED.—Subsection (b)(1) of section  
11 2805 of title 10, United States Code, amended by striking  
12 “\$500,000” and inserting “\$750,000”.

13           (b) PROJECTS USING AMOUNTS FOR OPERATION  
14 AND MAINTENANCE.—Subsection (c)(1) of that section is  
15 amended—

16           (1) in subparagraph (A), by striking  
17 “\$1,000,000” and inserting “\$1,500,000”; and

18           (2) in subparagraph (B), by striking  
19 “\$500,000” and inserting “\$750,000”.

1 **SEC. 2802. UNFORESEEN ENVIRONMENTAL HAZARD REME-**  
2 **DIATION AS BASIS FOR AUTHORIZED COST**  
3 **VARIATIONS FOR MILITARY CONSTRUCTION**  
4 **AND FAMILY HOUSING CONSTRUCTION**  
5 **PROJECTS.**

6 Subsection (d) of section 2853 of title 10, United  
7 States Code, is amended to read as follows:

8 “(d) The limitation on cost increases in subsection  
9 (a) does not apply to the following:

10 “(1) The settlement of a contractor claim under  
11 a contract.

12 “(2) The cost of any environmental hazard re-  
13 mediation required by law, including asbestos re-  
14 moval, radon abatement, and lead-based paint re-  
15 moval or abatement, if such remediation could not  
16 have reasonably been anticipated at the time the  
17 project was approved originally by Congress.”.

18 **SEC. 2803. REPEAL OF REQUIREMENT FOR ANNUAL RE-**  
19 **PORTS TO CONGRESS ON MILITARY CON-**  
20 **STRUCTION AND MILITARY FAMILY HOUSING**  
21 **ACTIVITIES.**

22 (a) REPEAL.—Section 2861 of title 10, United States  
23 Code is repealed.

24 (b) CLERICAL AMENDMENT.—The table of sections  
25 at the beginning of subchapter III of chapter 169 of such

1 title is amended by striking the item relating to section  
2 2861.

3 **SEC. 2804. AUTHORITY AVAILABLE FOR LEASE OF PROP-**  
4 **ERTY AND FACILITIES UNDER ALTERNATIVE**  
5 **AUTHORITY FOR ACQUISITION AND IM-**  
6 **PROVEMENT OF MILITARY HOUSING.**

7 (a) LEASE AUTHORITIES AVAILABLE.—Section 2878  
8 of title 10, United States Code, is amended—

9 (1) by redesignating subsections (c) and (d) as  
10 subsections (d) and (e), respectively; and

11 (2) by inserting after subsection (b) the fol-  
12 lowing new subsection (c):

13 “(c) LEASE AUTHORITIES AVAILABLE.—(1) The Sec-  
14 retary concerned may use any authority or combination  
15 of authorities available under section 2667 of this title in  
16 leasing property or facilities under this section to the ex-  
17 tent such property or facilities, as the case may be, are  
18 described by subsection (a)(1) of such section 2667.

19 “(2) The limitation in subsection (b)(1) of section  
20 2667 of this title shall not apply with respect to a lease  
21 of property or facilities under this section.”.

22 (b) CONFORMING AMENDMENT.—Subsection (e) of  
23 that section, as redesignated by subsection (a) of this sec-  
24 tion, is further amended—

25 (1) by striking paragraph (1); and

1           (2) by redesignated paragraphs (2), (3), and  
2           (4) as paragraphs (1), (2), and (3), respectively.

3           (c) **TECHNICAL AMENDMENT.**—Paragraph (3) of  
4 subsection (e) of that section, as redesignated by this sec-  
5 tion, is further amended by striking “Stewart B. McKin-  
6 ney Homeless Assistance Act” and inserting “McKinney-  
7 Vento Homeless Assistance Act”.

8 **SEC. 2805. FUNDS FOR HOUSING ALLOWANCES OF MEM-**  
9 **BERS ASSIGNED TO MILITARY FAMILY HOUS-**  
10 **ING UNDER ALTERNATIVE AUTHORITY FOR**  
11 **ACQUISITION AND IMPROVEMENT OF MILI-**  
12 **TARY HOUSING.**

13           (a) **IN GENERAL.**—Subchapter IV of chapter 169 of  
14 title 10, United States Code, is amended by inserting after  
15 section 2883 the following new section:

16 **“§ 2883a. Funds for housing allowances of members**  
17 **of the armed forces assigned to certain**  
18 **military family housing units**

19           “To the extent provided in advance in appropriations  
20 Acts, the Secretary of Defense may, during the fiscal year  
21 in which a contract is awarded for the acquisition or con-  
22 struction of military family housing units under this sub-  
23 chapter that are not to be owned by the United States,  
24 transfer from appropriations available for support of mili-  
25 tary housing for the armed force concerned for that fiscal

1 year to appropriations available for pay and allowances of  
 2 military personnel of that armed force for that fiscal year  
 3 amounts equal to any additional amounts payable during  
 4 that fiscal year to members of that armed force assigned  
 5 to such housing units as basic allowance for housing under  
 6 section 403 of title 37 that would not otherwise have been  
 7 payable to such members if not for assignment to such  
 8 housing units.”.

9 (b) CLERICAL AMENDMENT.—The table of sections  
 10 at the beginning of that subchapter is amended by insert-  
 11 ing after the item relating to section 2883 the following  
 12 new item:

“2883a. Funds for housing allowances of members of the armed forces assigned  
 to certain military family housing units.”.

13 **Subtitle B—Real Property and**  
 14 **Facilities Administration**

15 **SEC. 2811. AVAILABILITY OF PROCEEDS OF SALES OF DE-**  
 16 **PARTMENT OF DEFENSE PROPERTY FROM**  
 17 **CLOSED MILITARY INSTALLATIONS.**

18 Section 204(h)(2) of the Federal Property and Ad-  
 19 ministrative Services Act of 1949 (40 U.S.C. 485(h)(2))  
 20 is amended by striking subparagraphs (A) and (B) and  
 21 inserting the following new subparagraphs:

22 “(A) In the case of property located at a mili-  
 23 tary installation that is closed, such amount shall be  
 24 available for facility maintenance and repair or envi-

1       ronmental restoration by the military department  
2       that had jurisdiction over such property before the  
3       closure of the military installation.

4               “(B) In the case of property located at any  
5       other military installation—

6                       “(i) 50 percent of such amount shall be  
7                       available for facility maintenance and repair or  
8                       environmental restoration at the military instal-  
9                       lation where such property was located before it  
10                      was disposed of or transferred; and

11                      “(ii) 50 percent of such amount shall be  
12                      available for facility maintenance and repair  
13                      and for environmental restoration by the mili-  
14                      tary department that had jurisdiction over such  
15                      property before it was disposed of or trans-  
16                      ferred.”.

17 **SEC. 2812. PILOT EFFICIENT FACILITIES INITIATIVE.**

18       (a) INITIATIVE AUTHORIZED.—The Secretary of De-  
19       fense may carry out a pilot program for purposes of deter-  
20       mining the potential for increasing the efficiency and ef-  
21       fectiveness of the operation of military installations. The  
22       pilot program shall be known as the “Pilot Efficient Fa-  
23       cilities Initiative” (in this section referred to as the “Ini-  
24       tiative”).

1 (b) DESIGNATION OF PARTICIPATING FACILITIES.—

2 (1) The Secretary may designate up to two installations  
3 of each military department for participation in the Initia-  
4 tive.

5 (2) The Secretary shall transmit to the Committees  
6 on Armed Services of the Senate and the House of Rep-  
7 resentatives a written notification of each installation pro-  
8 posed to be included in the Initiative not less than 30 days  
9 before taking any action to carry out the Initiative at such  
10 installation.

11 (3) The Secretary shall include in the notification re-  
12 garding an installation designated for participation in the  
13 Initiative a management plan for the Initiative at the in-  
14 stallation. Each management plan for an installation shall  
15 include the following:

16 (A) A description of—

17 (i) each proposed lease of real or personal  
18 property located at the installation;

19 (ii) each proposed disposal of real or per-  
20 sonal property located at the installation;

21 (iii) each proposed leaseback of real or per-  
22 sonal property leased or disposed of at the in-  
23 stallation;

24 (iv) each proposed conversion of services at  
25 the installation from Federal Government per-

1 performance to non-Federal Government perform-  
2 ance, including performance by contract with a  
3 State or local government or private entity or  
4 performance as consideration for the lease or  
5 disposal of property at the installation; and

6 (v) each other action proposed to be taken  
7 to improve mission effectiveness and reduce the  
8 cost of providing quality installation support at  
9 the installation.

10 (B) With respect to each proposed action de-  
11 scribed under subparagraph (A)—

12 (i) an estimate of the savings expected to  
13 be achieved as a result of the action;

14 (ii) each regulation not required by statute  
15 that is proposed to be waived to implement the  
16 action; and

17 (iii) each statute or regulation required by  
18 statute that is proposed to be waived to imple-  
19 ment the action, including—

20 (I) an explanation of the reasons for  
21 the proposed waiver; and

22 (II) a description of the action to be  
23 taken to protect the public interests served  
24 by the statute or regulation, as the case

1                   may be, proposed to be waived in the event  
2                   of the waiver.

3                   (C) A description of the steps taken by the Sec-  
4                   retary to consult with employees at the facility, and  
5                   communities in the vicinity of the facility, regarding  
6                   the Initiative at the installation.

7                   (D) Measurable criteria for the evaluation of  
8                   the effects of the actions to be taken pursuant to the  
9                   Initiative at the installation.

10                  (c) WAIVER OF STATUTORY REQUIREMENTS.—The  
11                  Secretary of Defense may waive any statute or regulation  
12                  required by statute for purposes of carrying out the Initia-  
13                  tive only if specific authority for the waiver of such statute  
14                  or regulation is provided in an Act that is enacted after  
15                  the date of the enactment of this Act.

16                  (d) INSTALLATION EFFICIENCY PROJECT FUND.—  
17                  (1) There is established on the books of the Treasury a  
18                  fund to be known as the “Installation Efficiency Project  
19                  Fund” (in this subsection referred to as the “Fund”).

20                  (2) There shall be deposited in the Fund all cash  
21                  rents, payments, reimbursements, proceeds and other  
22                  amounts from leases, sales, or other conveyances or trans-  
23                  fers, joint activities, and other actions taken under the Ini-  
24                  tiative.

1           (3) To the extent provided in advance in authoriza-  
2 tion Acts and appropriations Acts, amounts in the Fund  
3 shall be available to the Secretary concerned for purposes  
4 of managing capital assets and providing support services  
5 at installations participating in the Initiative. Amounts in  
6 the Fund may be used for such purposes in addition to,  
7 or in combination with, other amounts authorized to ap-  
8 propriated for such purposes. Amounts in the Fund shall  
9 be available for such purposes for five years.

10           (4) Subject to applicable financial management regu-  
11 lations, the Secretary of Defense shall structure the Fund,  
12 and provide administrative policies and procedures, in  
13 order provide proper control of deposits in and disburse-  
14 ments from the Fund.

15           (e) TERMINATION.—The authority of the Secretary  
16 to carry out the Initiative shall terminate four years after  
17 the date of the enactment of this Act.

18           (f) REPORT.—Not later than three years after the  
19 date of the enactment of this Act, the Secretary shall sub-  
20 mit to the committees of Congress referred to in sub-  
21 section (b)(2) a report on the Initiative. The report shall  
22 contain a description of the actions taken under the Initia-  
23 tive and include such other information, including rec-  
24 ommendations, as the Secretary considers appropriate in  
25 light of the Initiative.

1 **SEC. 2813. DEMONSTRATION PROGRAM ON REDUCTION IN**  
2 **LONG-TERM FACILITY MAINTENANCE COSTS.**

3 (a) **AUTHORITY TO CARRY OUT PROGRAM.**—Subject  
4 to the provisions of this section, the Secretary of the Army  
5 may conduct a demonstration program to assess the feasi-  
6 bility and desirability of including facility maintenance re-  
7 quirements in construction contracts for military construc-  
8 tion projects. The purpose of the demonstration program  
9 is to determine whether or not such requirements facilitate  
10 reductions in the long-term facility maintenance costs of  
11 the military departments.

12 (b) **CONTRACTS.**—(1) The demonstration program  
13 shall cover contracts entered into on or after the date of  
14 the enactment of this Act.

15 (2) Not more than three contracts entered into in any  
16 year may contain requirements referred to in subsection  
17 (a) for the purpose of the demonstration program.

18 (c) **EFFECTIVE PERIOD OF REQUIREMENTS.**—The  
19 effective period of a requirement referred to in subsection  
20 (a) that is included in a contract for the purpose of the  
21 demonstration program shall be any period elected by the  
22 Secretary not in excess of five years.

23 (d) **REPORTS.**—(1) Not later than January 31, 2003,  
24 and annually thereafter until the year following the ces-  
25 sation of effectiveness of any requirements referred to in  
26 subsection (a) in contracts under the demonstration pro-

1 gram, the Secretary shall submit to the congressional de-  
2 fense committees a report on the demonstration program.

3 (2) Each report under paragraph (1) shall include,  
4 for the year covered by such report, the following:

5 (A) A description of the contracts entered into  
6 during the year that contain requirements referred  
7 to in subsection (a) for the purpose of the dem-  
8 onstration program.

9 (B) The experience of the Secretary during the  
10 year with respect to any contracts containing re-  
11 quirements referred to in subsection (a) for the pur-  
12 pose of the demonstration program that were in  
13 force during the year.

14 (3) The final report under this subsection shall in-  
15 clude, in addition to the matters required under paragraph  
16 (2), an evaluation of the demonstration program and any  
17 recommendations, including recommendations for the ter-  
18 mination, continuation, or expansion of the demonstration  
19 program, that the Secretary considers appropriate.

20 (e) EXPIRATION.—The authority under subsection  
21 (a) to include requirements referred to in that subsection  
22 in contracts under the demonstration program shall expire  
23 on September 30, 2006.

24 (f) FUNDING.—Amounts authorized to be appro-  
25 priated for the Army for a fiscal year for military con-

1 struction shall be available for the demonstration program  
2 under this section in such fiscal year.

### 3 **Subtitle C—Land Conveyances**

#### 4 **SEC. 2821. LAND CONVEYANCE, ENGINEER PROVING** 5 **GROUND, FORT BELVOIR, VIRGINIA.**

6 (a) CONVEYANCE AUTHORIZED.—The Secretary of  
7 the Army may convey to the Commonwealth of Virginia  
8 (in this section referred to as the “Commonwealth”) all  
9 right, title, and interest of United States in and to two  
10 parcels of real property, including any improvements  
11 thereon, located at the Engineer Proving Ground, Fort  
12 Belvoir, Virginia, as follows:

13 (1) The parcel, consisting of approximately 170  
14 acres, that is to be used for a portion of the Fairfax  
15 County Parkway, including for construction of that  
16 portion of the parkway.

17 (2) The parcel, consisting of approximately  
18 11.45 acres, that is subject to an easement pre-  
19 viously granted to the Commonwealth as Army ease-  
20 ment DACA 31–3–96–440 for the construction of a  
21 portion of Interstate Highway 95.

22 (b) CONSIDERATION.—As consideration for the con-  
23 veyance under subsection (a), the Commonwealth shall—

1           (1) design and construct, at its expense and for  
2 public benefit, the portion of the Fairfax County  
3 Parkway through the Engineer Proving Ground;

4           (2) provide a conceptual design for eventual in-  
5 corporation and construction by others of access into  
6 the Engineer Proving Ground at the Rolling Road  
7 Interchange from Fairfax County Parkway as speci-  
8 fied in Virginia Department of Transportation  
9 Project #R000-029-249, C514;

10          (3) provide such easements or rights of way for  
11 utilities under or across the Fairfax County Park-  
12 way as the Secretary considers appropriate for the  
13 optimum development of the Engineer Proving  
14 Ground; and

15          (4) pay the United States an amount, jointly  
16 determined by the Secretary and the Commonwealth,  
17 appropriate to cover the costs of constructing a re-  
18 placement building for building 5089 located on the  
19 Engineer Proving Ground.

20          (c) RESPONSIBILITY FOR ENVIRONMENTAL CLEAN-  
21 UP.—The Secretary shall retain liability under the Com-  
22 prehensive Environmental Response, Compensation, and  
23 Liability Act of 1980 (42 U.S.C. 9601 et seq.), and any  
24 other applicable environmental statute or regulation, for  
25 any environmental hazard on the property conveyed under

1 subsection (a) as of the date of the conveyance under that  
2 subsection.

3 (d) ACCEPTANCE AND DISPOSITION OF FUNDS.—(1)

4 The Secretary of the Army may accept the funds paid by  
5 the Commonwealth as consideration under subsection  
6 (b)(4) and shall credit the accepted funds to the appro-  
7 priation or appropriations that are appropriate for paying  
8 the costs of the replacement of Building 5089, located on  
9 the Engineer Proving Ground, Fort Belvoir, Virginia, con-  
10 sistent with paragraphs (2) and (3) of this subsection.

11 (2) Funds accepted under paragraph (1) shall be  
12 available, until expended, for the replacement of Building  
13 5089.

14 (3) Funds appropriated pursuant to the authorization  
15 of appropriations in section 301(1), and funds appro-  
16 priated pursuant to the authorization of appropriations in  
17 section 2104(a)(4), shall be available in accordance with  
18 section 2805 of title 10, United States Code, for the ex-  
19 cess, if any, of the cost of the replacement of Building  
20 5089 over the amount available for such project under  
21 paragraph (2).

22 (e) DESCRIPTION OF PROPERTY.—(1) The exact  
23 acreage and legal description of the real property to be  
24 conveyed under subsection (a)(1) shall be determined by

1 a survey satisfactory to the Secretary. The cost of the sur-  
 2 vey shall be borne by the Commonwealth.

3 (2) The exact acreage and legal description of the real  
 4 property to be conveyed under subsection (a)(2) are as set  
 5 forth in Army easement DACA 31-3-96-440.

6 (f) **ADDITIONAL TERMS AND CONDITIONS.**—The Sec-  
 7 retary may require such additional terms and conditions  
 8 in connection with the conveyance under subsection (a) as  
 9 the Secretary considers appropriate to protect the inter-  
 10 ests of the United States.

11 **SEC. 2822. MODIFICATION OF AUTHORITY FOR CONVEY-**  
 12 **ANCE OF NAVAL COMPUTER AND TELE-**  
 13 **COMMUNICATIONS STATION, CUTLER, MAINE.**

14 Section 2853(a) of the Military Construction Author-  
 15 ization Act for Fiscal Year 2001 (division B of the Floyd  
 16 D. Spence National Defense Authorization Act for Fiscal  
 17 Year 2001 (as enacted by Public Law 106-398); 114 Stat.  
 18 1654A-430) is amended by inserting “any or” before “all  
 19 right”.

20 **SEC. 2823. LAND TRANSFER AND CONVEYANCE, NAVAL SE-**  
 21 **CURITY GROUP ACTIVITY, WINTER HARBOR,**  
 22 **MAINE.**

23 (a) **TRANSFER OF ADMINISTRATIVE JURISDIC-**  
 24 **TION.**—(1) The Secretary of the Navy may transfer to the  
 25 Secretary of the Interior administrative jurisdiction of a

1 parcel of real property, including any improvements there-  
2 on and appurtenances thereto, consisting of approximately  
3 26 acres as generally depicted as Tract 15–116 on the  
4 map entitled “Acadia National Park Schoodic Point  
5 Area”, numbered 123/80,418 and dated May 2001. The  
6 map shall be on file and available for inspection in the  
7 appropriate offices of the National Park Service.

8       (2) The transfer authorized by this subsection shall  
9 occur, if at all, concurrently with the reversion of adminis-  
10 trative jurisdiction of a parcel of real property consisting  
11 of approximately 71 acres, as depicted as Tract 15–115  
12 on the map referred to in paragraph (1), from the Sec-  
13 retary of the Navy to the Secretary of the Interior as au-  
14 thorized by Public Law 80–260 (61 Stat. 519) and to be  
15 executed on or about June 30, 2002.

16       (b) CONVEYANCE AUTHORIZED.—The Secretary of  
17 the Navy may convey, without consideration, to the State  
18 of Maine, any political subdivision of the State of Maine,  
19 or any tax-supported agency in the State of Maine, all  
20 right, title, and interest of the United States in and to  
21 any of the parcels of real property, including any improve-  
22 ments thereon and appurtenances thereto, consisting of  
23 approximately 485 acres and comprising the former facili-  
24 ties of the Naval Security Group Activity, Winter Harbor,  
25 Maine, located in Hancock County, Maine, less the real

1 property described in subsection (a)(1), for the purpose  
2 of economic redevelopment.

3 (c) TRANSFER OF PERSONAL PROPERTY.—The Sec-  
4 retary of the Navy may transfer, without consideration,  
5 to the Secretary of the Interior in the case of the real  
6 property transferred under subsection (a), or to any recipi-  
7 ent of such real property in the case of real property con-  
8 veyed under subsection (b), any or all personal property  
9 associated with such real property so transferred or con-  
10 veyed, including any personal property required to con-  
11 tinue the maintenance of the infrastructure of such real  
12 property (including the generators for an uninterrupted  
13 power supply in building 154 at the Corea site).

14 (d) MAINTENANCE OF PROPERTY PENDING CONVEY-  
15 ANCE.—(1) The Secretary of the Navy shall maintain any  
16 real property, including any improvements thereon, appur-  
17 tenances thereto, and supporting infrastructure, to be con-  
18 veyed under subsection (b) in accordance with the protec-  
19 tion and maintenance standards specified in section 101–  
20 47.4913 of title 41, Code of Federal Regulations, until the  
21 earlier of—

22 (A) the date of the conveyance of such real  
23 property under subsection (b); or

24 (B) September 30, 2003.

1           (2) The requirement in paragraph (1) shall not be  
2 construed as authority to improve the real property, im-  
3 provements, and infrastructure referred to in that para-  
4 graph so as to bring such real property, improvements,  
5 or infrastructure into compliance with any zoning or prop-  
6 erty maintenance codes or to repair any damage to such  
7 improvements and infrastructure through an Act of God.

8           (e) INTERIM LEASE.—(1) Until such time as any par-  
9 cel of real property to be conveyed under subsection (b)  
10 is conveyed by deed under that subsection, the Secretary  
11 of the Navy may lease such parcel to any person or entity  
12 determined by the Secretary to be an appropriate lessee  
13 of such parcel.

14           (2) The amount of rent for a lease under paragraph  
15 (1) shall be the amount determined by the Secretary to  
16 be appropriate, and may be an amount less than the fair  
17 market value of the lease.

18           (3) Notwithstanding any other provision of law, the  
19 Secretary shall credit any amount received for a lease of  
20 real property under paragraph (1) to the appropriation or  
21 account providing funds for the operation and mainte-  
22 nance of such property or for the procurement of utility  
23 services for such property. Amounts so credited shall be  
24 merged with funds in the appropriation or account to  
25 which credited, and shall be available for the same pur-

1 poses, and subject to the same conditions and limitations,  
2 as the funds with which merged.

3 (f) REIMBURSEMENT FOR ENVIRONMENTAL AND  
4 OTHER ASSESSMENTS.—(1) The Secretary of the Navy  
5 may require each recipient of real property conveyed under  
6 subsection (b) to reimburse the Secretary for the costs in-  
7 curred by the Secretary for any environmental assessment,  
8 study, or analysis carried out by the Secretary with re-  
9 spect to such property before completing the conveyance  
10 under that subsection.

11 (2) The amount of any reimbursement required under  
12 paragraph (1) shall be determined by the Secretary, but  
13 may not exceed the cost of the assessment, study, or anal-  
14 ysis for which reimbursement is required.

15 (3) Section 2695(c) of title 10, United States Code,  
16 shall apply to any amount received by the Secretary under  
17 this subsection.

18 (g) DESCRIPTION OF PROPERTY.—The exact acreage  
19 and legal description of the real property transferred  
20 under subsection (a), and each parcel of real property con-  
21 veyed under subsection (b), shall be determined by a sur-  
22 vey satisfactory to the Secretary of the Navy. The cost  
23 of any survey under the preceding sentence for real prop-  
24 erty conveyed under subsection (b) shall be borne by the  
25 recipient of the real property.

1       (h) **ADDITIONAL TERMS AND CONDITIONS.**—The  
2 Secretary of the Navy may require such additional terms  
3 and conditions in connection with any conveyance under  
4 subsection (b), and any lease under subsection (e), as the  
5 Secretary considers appropriate to protect the interests of  
6 the United States.

7 **SEC. 2824. CONVEYANCE OF SEGMENT OF LORING PETRO-**  
8 **LEUM PIPELINE, MAINE, AND RELATED EASE-**  
9 **MENTS.**

10       (a) **CONVEYANCE AUTHORIZED.**—The Secretary of  
11 the Air Force may convey, without consideration, to the  
12 Loring Development Authority, Maine (in this section re-  
13 ferred to as the “Authority”), all right, title, and interest  
14 of the United States in and to the segment of the Loring  
15 Petroleum (POL) Pipeline, Maine, consisting of approxi-  
16 mately 27 miles in length and running between the  
17 Searsport terminal and Bangor Air National Guard Base.

18       (b) **RELATED EASEMENTS.**—As part of the convey-  
19 ance authorized by subsection (a), the Secretary may con-  
20 vey to the Authority, without consideration, all right, title,  
21 and interest of the United States in and to any easements  
22 or rights-of-way necessary for the operation or mainte-  
23 nance of the segment of pipeline conveyed under that sub-  
24 section.

1           (c) REIMBURSEMENT FOR COSTS OF CONVEY-  
2 ANCE.—(1) The Authority shall reimburse the Secretary  
3 for the costs incurred by the Secretary for any environ-  
4 mental assessment, study, or analysis, or for any other  
5 expense incurred by the Secretary, for a conveyance au-  
6 thorized by this section.

7           (2) The amount of the reimbursement under para-  
8 graph (1) for an activity shall be determined by the Sec-  
9 retary, but may not exceed the cost of the activity.

10          (3) Section 2695(c) of title 10, United States Code,  
11 shall apply to any amount received by the Secretary under  
12 this subsection.

13          (d) DESCRIPTION OF PROPERTY.—The exact acreage  
14 and legal description of the segment of pipeline conveyed  
15 under subsection (a), and of any easements or rights-of-  
16 way conveyed under subsection (b), shall be determined  
17 by surveys and other means satisfactory to the Secretary.  
18 The cost of any survey or other services performed at the  
19 direction of the Secretary under the preceding sentence  
20 shall be borne by the Authority.

21          (e) ADDITIONAL TERMS AND CONDITIONS.—The  
22 Secretary may require such additional terms and condi-  
23 tions in connection with the conveyances under this section  
24 as the Secretary considers appropriate to protect the inter-  
25 ests of the United States.

1 **SEC. 2825. LAND CONVEYANCE, PETROLEUM TERMINAL**  
2 **SERVING FORMER LORING AIR FORCE BASE**  
3 **AND BANGOR AIR NATIONAL GUARD BASE,**  
4 **MAINE.**

5 (a) CONVEYANCE AUTHORIZED.—(1) The Secretary  
6 of the Air Force may convey to the Maine Port Authority  
7 of the State of Maine (in this section referred to as the  
8 “Authority”) all right, title, and interest of the United  
9 States in and to the Petroleum Terminal (POL) at Mack  
10 Point, Searsport, Maine, which served former Loring Air  
11 Force Base and Bangor Air National Guard Base, Maine.

12 (2) The conveyance under paragraph (1) may include  
13 the following:

14 (A) A parcel of real property, including any im-  
15 provements thereon, consisting of approximately 20  
16 acres and comprising a portion of the Petroleum  
17 Terminal.

18 (B) Any additional fuel tanks, other improve-  
19 ments, and equipment located on the 43-acre parcel  
20 of property adjacent to the property described in  
21 subparagraph (A), and currently leased by the Sec-  
22 retary, which constitutes the remaining portion of  
23 the Petroleum Terminal.

24 (b) CONDITION OF CONVEYANCE.—The Secretary  
25 may not make the conveyance under subsection (a) unless  
26 the Authority agrees to utilize the property to be conveyed

1 under that subsection solely for economic development  
2 purposes.

3 (c) CONSIDERATION.—(1) As consideration for the  
4 conveyance under subsection (a), the Authority shall lease  
5 to the Air Force approximately one acre of the real prop-  
6 erty conveyed under that subsection, together with any im-  
7 provements thereon, that constitutes the Aerospace Fuels  
8 Laboratory (also known as Building 14).

9 (2) The real property leased under this subsection  
10 shall include the parking lot, outbuildings, and other im-  
11 provements associated with the Aerospace Fuels Labora-  
12 tory and such easements of ingress and egress to the real  
13 property, including easements for utilities, as are required  
14 for the operations of the Aerospace Fuels Laboratory.

15 (3) As part of the lease of real property under this  
16 subsection, the Authority shall maintain around the real  
17 property for the term of the lease a zone, not less than  
18 75 feet in depth, free of improvements or encumbrances.

19 (4) The lease under this subsection shall be without  
20 cost to the United States.

21 (5) The term of the lease under this subsection may  
22 not exceed 25 years. If operations at the Aerospace Fuels  
23 Laboratory cease before the expiration of the term of the  
24 lease otherwise provided for under this subsection, the

1 lease shall be deemed to have expired upon the cessation  
2 of such operations.

3 (d) CONVEYANCE CONTINGENT ON EXPIRATION OF  
4 LEASE OF FUEL TANKS.—The Secretary may not make  
5 the conveyance under subsection (a) until the expiration  
6 of the lease referred to in paragraph (2)(B) of that sub-  
7 section.

8 (e) ENVIRONMENTAL REMEDIATION.—The Secretary  
9 may not make the conveyance under subsection (a) until  
10 the completion of any environmental remediation required  
11 by law with respect to the property to be conveyed under  
12 that subsection.

13 (f) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—  
14 (1) The Authority shall reimburse the Secretary for the  
15 costs incurred by the Secretary for any environmental as-  
16 sessment, study, or analysis, or for any other expense in-  
17 curred by the Secretary, for the conveyance authorized by  
18 subsection (a).

19 (2) The amount of the reimbursement under para-  
20 graph (1) for an activity shall be determined by the Sec-  
21 retary, but may not exceed the cost of the activity.

22 (3) Section 2695(c) of title 10, United States Code,  
23 shall apply to any amount received by the Secretary under  
24 this subsection.

1 (g) DESCRIPTION OF PROPERTY.—The exact acreage  
2 and legal description of the real property conveyed under  
3 subsection (a) shall be determined by a survey satisfactory  
4 to the Secretary. The cost of the survey shall be borne  
5 by the Authority.

6 (h) ADDITIONAL TERMS AND CONDITIONS.—The  
7 Secretary may require such additional terms and condi-  
8 tions in connection with the conveyance under subsection  
9 (a), and the lease under subsection (c), as the Secretary  
10 considers appropriate to protect the interests of the  
11 United States.

12 **SEC. 2826. LAND CONVEYANCE, NAVAL WEAPONS INDUS-**  
13 **TRIAL RESERVE PLANT, TOLEDO, OHIO.**

14 (a) CONVEYANCE AUTHORIZED.—(1) The Secretary  
15 of the Navy may convey, without consideration, to the To-  
16 ledo-Lucas County Port Authority, Ohio (in this section  
17 referred to as the “Port Authority”), any or all right, title,  
18 and interest of the United States in and to a parcel of  
19 real property, including any improvements thereon, con-  
20 sisting of approximately 29 acres and comprising the  
21 Naval Weapons Industrial Reserve Plant, Toledo, Ohio.

22 (2) The Secretary may include in the conveyance  
23 under paragraph (1) such facilities, equipment, fixtures,  
24 and other personal property located or based on the parcel  
25 conveyed under that paragraph, or used in connection with

1 the parcel, as the Secretary determines to be excess to the  
2 Navy.

3 (b) LEASE AUTHORITY.—Until such time as the real  
4 property described in subsection (a)(1) is conveyed by  
5 deed, the Secretary may lease such real property, and any  
6 personal property described in subsection (a)(2), to the  
7 Port Authority in exchange for such security, fire protec-  
8 tion, and maintenance services as the Secretary considers  
9 appropriate.

10 (c) CONDITIONS OF CONVEYANCE.—The conveyance  
11 under subsection (a), and any lease under subsection (b),  
12 shall be subject to the conditions that the Port  
13 Authority—

14 (1) accept the real and personal property con-  
15 cerned in their condition at the time of the convey-  
16 ance or lease, as the case may be; and

17 (2) except as provided in subsection (d), use the  
18 real and personal property concerned, whether di-  
19 rectly or through an agreement with a public or pri-  
20 vate entity, for economic development or such other  
21 public purposes as the Port Authority considers ap-  
22 propriate.

23 (d) SUBSEQUENT USE.—(1) The Port Authority  
24 may, following entry into a lease under subsection (b) for  
25 real property, personal property, or both, sublease such

1 property for a purpose set forth in subsection (c)(2) if the  
2 Secretary approves the sublease of such property for that  
3 purpose.

4 (2) The Port Authority may, following the conveyance  
5 of real property under subsection (a), lease or reconvey  
6 such real property, and any personal property conveyed  
7 with such real property under that subsection, for a pur-  
8 pose set forth in subsection (c)(2).

9 (e) REIMBURSEMENT FOR COSTS OF CONVEYANCE  
10 AND LEASE.—(1) The Port Authority shall reimburse the  
11 Secretary for the costs incurred by the Secretary for any  
12 environmental assessment, study, or analysis, or for any  
13 other expense incurred by the Secretary, for the convey-  
14 ance authorized by subsection (a) or any lease authorized  
15 by subsection (b).

16 (2) The amount of the reimbursement under para-  
17 graph (1) for an activity shall be determined by the Sec-  
18 retary, but may not exceed the cost of the activity.

19 (3) Section 2695(c) of title 10, United States Code,  
20 shall apply to any amount received by the Secretary under  
21 this subsection.

22 (f) DESCRIPTION OF PROPERTY.—The exact acreage  
23 and legal of the real property to be conveyed under sub-  
24 section (a)(1), and an appropriate inventory or other de-  
25 scription of the personal property to be conveyed under

1 subsection (a)(2), shall be determined by a survey and  
2 other means satisfactory to the Secretary.

3 (g) **ADDITIONAL TERMS AND CONDITIONS.**—The  
4 Secretary may require such additional terms and condi-  
5 tions in connection with the conveyance under subsection  
6 (a)(1), and any lease under subsection (b), as the Sec-  
7 retary considers appropriate to protect the interests of the  
8 United States.

## 9 **Subtitle D—Other Matters**

### 10 **SEC. 2841. DEVELOPMENT OF UNITED STATES ARMY HERIT- 11 AGE AND EDUCATION CENTER AT CARLISLE 12 BARRACKS, PENNSYLVANIA.**

13 (a) **AUTHORITY TO ENTER INTO PARTNERSHIP.**—(1)  
14 The Secretary of the Army may enter into a partnership  
15 with the Military Heritage Foundation, a not-for-profit or-  
16 ganization, for the design, construction, and operation of  
17 a facility for the United States Army Heritage and Edu-  
18 cation Center at Carlisle Barracks, Pennsylvania.

19 (2) The facility is to be used for curation and storage  
20 of artifacts, research facilities, classrooms, and offices,  
21 and for education and other activities, relating to the her-  
22 itage of the Army. The facility may also be used to support  
23 such education and training as the Secretary considers ap-  
24 propriate.

1           (b) DESIGN AND CONSTRUCTION.—The Secretary  
2 may accept funds from the Military Heritage Foundation  
3 for the design and construction of the facility for the  
4 United States Army Heritage and Education Center re-  
5 ferred to in subsection (a).

6           (c) ACCEPTANCE OF FACILITY.—(1) Upon comple-  
7 tion of the facility referred to subsection (a), and upon  
8 the satisfaction of any and all financial obligations inci-  
9 dent thereto by the Military Heritage Foundation, the  
10 Secretary shall accept the facility from the Military Herit-  
11 age Foundation, and all right, title, and interest in and  
12 to the facility shall vest in the United States.

13           (2) Upon becoming property of the United States, the  
14 facility shall be under the jurisdiction of the Secretary.

15           (d) USE OF CERTAIN GIFTS.—(1) Under regulations  
16 prescribed by the Secretary, the Commandant of the Army  
17 War College may, without regard to section 2601 of title  
18 10, United States Code, accept, hold, administer, invest,  
19 and spend any gift, devise, or bequest of personnel prop-  
20 erty of a value of \$250,000 or less made to the United  
21 States if such gift, devise, or bequest is for the benefit  
22 of the United States Army Heritage and Education Cen-  
23 ter.

24           (2) The Secretary may pay or authorize the payment  
25 of any reasonable and necessary expense in connection

1 with the conveyance or transfer of a gift, devise, or be-  
2 quest under this subsection.

3 (e) **ADDITIONAL TERMS AND CONDITIONS.**—The  
4 Secretary may require such additional terms and condi-  
5 tions in connection with the partnership authorized to be  
6 entered into by subsection (a) as the Secretary considers  
7 appropriate to protect the interest of the United States.

8 **SEC. 2842. LIMITATION ON AVAILABILITY OF FUNDS FOR**  
9 **RENOVATION OF THE PENTAGON RESERVA-**  
10 **TION.**

11 (a) **CONSTRUCTION OF SECURE SECRETARIAL OF-**  
12 **FICES AND SUPPORT FACILITIES.**—No funds authorized  
13 to be appropriated by this Act, or any other Act, may be  
14 obligated or expended for construction of secure secre-  
15 tarial offices and support facilities at the Pentagon Res-  
16 ervation until the Secretary of Defense makes a certifi-  
17 cation to the congressional defense committees described  
18 in subsection (c).

19 (b) **RENOVATION OF PENTAGON RESERVATION.**—Of  
20 the amounts authorized to be appropriated by this Act and  
21 any other Act for the purpose of the renovation of the  
22 Pentagon Reservation, not more than \$1,158,000,000  
23 may be obligated or expended for that purposes until the  
24 Secretary makes a certification to the congressional de-  
25 fense committees described in subsection (c).

1 (c) CERTIFICATION.—A certification described in this  
2 subsection is a certification that the Defense Threat Re-  
3 duction Agency has—

4 (1) reviewed plans for construction of secure  
5 secretarial offices and support facilities at the Pen-  
6 tagon Reservation; and

7 (2) determined that construction of such offices  
8 and facilities in accordance with such plans would  
9 meet all applicable force protection requirements.

10 **SEC. 2843. NAMING OF PATRICIA C. LAMAR ARMY NA-**  
11 **TIONAL GUARD READINESS CENTER, OX-**  
12 **FORD, MISSISSIPPI.**

13 (a) DESIGNATION.—The Oxford Army National  
14 Guard Readiness Center, Oxford, Mississippi, shall be  
15 known and designated as the “Patricia C. Lamar Army  
16 National Guard Readiness Center”.

17 (b) REFERENCE TO READINESS CENTER.—Any ref-  
18 erence to the Oxford Army National Guard Readiness  
19 Center, Oxford, Mississippi, in any law, regulation, map,  
20 document, record, or other paper of the United States  
21 shall be considered to be a reference to the Patricia C.  
22 Lamar Army National Guard Readiness Center.

1       **TITLE XXIX—DEFENSE BASE**  
2       **CLOSURE AND REALIGNMENT**  
3       **Subtitle A—Modifications of 1990**  
4       **Base Closure Law**

5       **SEC. 2901. AUTHORITY TO CARRY OUT BASE CLOSURE**  
6               **ROUND IN 2003.**

7               (a) COMMISSION MATTERS.—

8                       (1) APPOINTMENT.—Section 2902(c)(1) of the  
9               Defense Base Closure and Realignment Act of 1990  
10              (part A of title XXIX of Public Law 101–510; 10  
11              U.S.C. 2687 note) is amended—

12                               (A) in subparagraph (B)—

13                                       (i) by striking “and” at the end of  
14                               clause (ii);

15                                       (ii) by striking the period at the end  
16                               of clause (iii) and inserting “; and”; and

17                                       (iii) by adding at the end the fol-  
18                               lowing new clause:

19                                       “(iv) by no later than January 24, 2003, in the  
20                               case of members of the Commission whose terms will  
21                               expire at the end of the first session of the 108th  
22                               Congress.”; and

23                                       (B) in subparagraph (C), by striking “or  
24                               for 1995 in clause (iii) of such subparagraph”  
25                               and inserting “, for 1995 in clause (iii) of that

1           subparagraph, or for 2003 in clause (iv) of that  
2           subparagraph”.

3           (2) MEETINGS.—Section 2902(e) of that Act is  
4           amended by striking “and 1995” and inserting  
5           “1995, and 2003”.

6           (3) FUNDING.—Section 2902(k) of that Act is  
7           amended by adding at the end the following new  
8           paragraph (4):

9           “(4) If no funds are appropriated to the Commission  
10          by the end of the second session of the 107th Congress  
11          for the activities of the Commission in 2003, the Secretary  
12          may transfer to the Commission for purposes of its activi-  
13          ties under this part in that year such funds as the Com-  
14          mission may require to carry out such activities. The Sec-  
15          retary may transfer funds under the preceding sentence  
16          from any funds available to the Secretary. Funds so trans-  
17          ferred shall remain available to the Commission for such  
18          purposes until expended.”.

19          (4) TERMINATION.—Section 2902(l) of that Act  
20          is amended by striking “December 31, 1995” and  
21          inserting “December 31, 2003”.

22          (b) PROCEDURES.—

23                 (1) FORCE-STRUCTURE PLAN.—Section 2903(a)  
24          of that Act is amended—

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

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

5           “(2)(A) As part of the budget justification documents  
6 submitted to Congress in support of the budget for the  
7 Department of Defense for fiscal year 2003, the Secretary  
8 shall include a force-structure plan for the Armed Forces  
9 based on the assessment of the Secretary in the quadren-  
10 nial defense review under section 118 of title 10, United  
11 States Code, in 2001 of the probable threats to the na-  
12 tional security during the twenty-year period beginning  
13 with fiscal year 2003.

14           “(B) The Secretary may revise the force-structure  
15 plan submitted under subparagraph (A). If the Secretary  
16 revises the force-structure plan, the Secretary shall submit  
17 the revised force-structure plan to Congress as part of the  
18 budget justification documents submitted to Congress in  
19 support of the budget for the Department of Defense for  
20 fiscal year 2004.”; and

21                   (C) in paragraph (3), as redesignated by  
22                   subparagraph (A) of this paragraph—

23                   (i) in the matter preceding subpara-  
24                   graph (A), by striking “Such plan” and in-

1           serting “Each force-structure plan under  
2           this subsection”; and

3                   (ii) in subparagraph (A), by striking  
4           “referred to in paragraph (1)” and insert-  
5           ing “on which such force-structure plan is  
6           based”.

7           (2) SELECTION CRITERIA.—Section 2903(b) of  
8           that Act is amended—

9                   (A) in paragraph (1), by inserting “and by  
10          no later than December 31, 2001, for purposes  
11          of activities of the Commission under this part  
12          in 2003,” after “December 31, 1990,”; and

13                   (B) in paragraph (2)(A)—

14                           (i) in the first sentence, by inserting  
15          “and by no later than February 15, 2002,  
16          for purposes of activities of the Commis-  
17          sion under this part in 2003,” after “Feb-  
18          ruary 15, 1991,”; and

19                           (ii) in the second sentence, by insert-  
20          ing “, or enacted on or before March 31,  
21          2002, in the case of criteria published and  
22          transmitted under the preceding sentence  
23          in 2001” after “March 15, 1991”.

24           (3) DEPARTMENT OF DEFENSE RECOMMENDA-  
25          TIONS.—Section 2903(c)(1) of that Act is amended

1 by striking “and March 1, 1995” and inserting  
2 “March 1, 1995, and March 14, 2003”.

3 (4) COMMISSION REVIEW AND RECOMMENDA-  
4 TIONS.—Section 2903(d) of that Act is amended—

5 (A) in paragraph (2)(A), by inserting “or  
6 by no later than July 7 in the case of rec-  
7 ommendations in 2003,” after “pursuant to  
8 subsection (c),”;

9 (B) in paragraph (4), by inserting “or  
10 after July 7 in the case of recommendations in  
11 2003,” after “under this subsection,”; and

12 (C) in paragraph (5)(B), by inserting “or  
13 by no later than May 1 in the case of such rec-  
14 ommendations in 2003,” after “such rec-  
15 ommendations,”.

16 (5) REVIEW BY PRESIDENT.—Section 2903(e)  
17 of that Act is amended—

18 (A) in paragraph (1), by inserting “or by  
19 no later than July 22 in the case of rec-  
20 ommendations in 2003,” after “under sub-  
21 section (d),”;

22 (B) in the second sentence of paragraph  
23 (3), by inserting “or by no later than August  
24 18 in the case of 2003,” after “the year con-  
25 cerned,”; and

1 (C) in paragraph (5), by inserting “or by  
2 September 3 in the case of recommendations in  
3 2003,” after “under this part,”.

4 (c) RELATIONSHIP TO OTHER BASE CLOSURE AU-  
5 THORITY.—Section 2909(a) of that Act is amended by  
6 striking “December 31, 1995,” and inserting “December  
7 31, 2003,”.

8 **SEC. 2902. BASE CLOSURE ACCOUNT 2003.**

9 (a) ESTABLISHMENT.—The Defense Base Closure  
10 and Realignment Act of 1990 (part A of title XXIX of  
11 Public Law 101–510; 10 U.S.C. 2687 note) is amended  
12 by inserting after section 2906 the following new section:

13 **“SEC. 2906A. BASE CLOSURE ACCOUNT 2003.**

14 “(a) IN GENERAL.—(1) There is hereby established  
15 on the books of the Treasury an account to be known as  
16 the ‘Department of Defense Base Closure Account 2003’  
17 (in this section referred to as the ‘Account’). The Account  
18 shall be administered by the Secretary as a single account.

19 “(2) There shall be deposited into the Account—

20 “(A) funds authorized for and appropriated to  
21 the Account;

22 “(B) any funds that the Secretary may, subject  
23 to approval in an appropriation Act, transfer to the  
24 Account from funds appropriated to the Department  
25 of Defense for any purpose, except that such funds

1        may be transferred only after the date on which the  
2        Secretary transmits written notice of, and justifica-  
3        tion for, such transfer to the congressional defense  
4        committees; and

5            “(C) except as provided in subsection (d), pro-  
6        ceeds received from the lease, transfer, or disposal of  
7        any property at a military installation that is closed  
8        or realigned under this part pursuant to a closure or  
9        realignment the date of approval of which is after  
10       September 30, 2003.

11        “(3) The Account shall be closed at the time and in  
12       the manner provided for appropriation accounts under sec-  
13       tion 1555 of title 31, United States Code. Unobligated  
14       funds which remain in the Account upon closure shall be  
15       held by the Secretary of the Treasury until transferred  
16       by law after the congressional defense committees receive  
17       the final report transmitted under subsection (e)(2).

18        “(b) USE OF FUNDS.—(1) The Secretary may use  
19       the funds in the Account only for the purposes described  
20       in section 2905 with respect to military installations the  
21       date of approval of closure or realignment of which is after  
22       September 30, 2003.

23        “(2) When a decision is made to use funds in the  
24       Account to carry out a construction project under section  
25       2905(a) and the cost of the project will exceed the max-

1 imum amount authorized by law for a minor military con-  
2 struction project, the Secretary shall notify in writing the  
3 congressional defense committees of the nature of, and  
4 justification for, the project and the amount of expendi-  
5 tures for such project. Any such construction project may  
6 be carried out without regard to section 2802(a) of title  
7 10, United States Code.

8       “(c) REPORTS.—(1)(A) No later than 60 days after  
9 the end of each fiscal year in which the Secretary carries  
10 out activities under this part using amounts in the Ac-  
11 count, the Secretary shall transmit a report to the con-  
12 gressional defense committees of the amount and nature  
13 of the deposits into, and the expenditures from, the Ac-  
14 count during such fiscal year and of the amount and na-  
15 ture of other expenditures made pursuant to section  
16 2905(a) during such fiscal year.

17       “(B) The report for a fiscal year shall include the  
18 following:

19               “(i) The obligations and expenditures from the  
20 Account during the fiscal year, identified by sub-  
21 account, for each military department and Defense  
22 Agency.

23               “(ii) The fiscal year in which appropriations for  
24 such expenditures were made and the fiscal year in  
25 which funds were obligated for such expenditures.

1           “(iii) Each military construction project for  
2           which such obligations and expenditures were made,  
3           identified by installation and project title.

4           “(iv) A description and explanation of the ex-  
5           tent, if any, to which expenditures for military con-  
6           struction projects for the fiscal year differed from  
7           proposals for projects and funding levels that were  
8           included in the justification transmitted to Congress  
9           under section 2907(1), or otherwise, for the funding  
10          proposals for the Account for such fiscal year, in-  
11          cluding an explanation of—

12                   “(I) any failure to carry out military con-  
13                   struction projects that were so proposed; and

14                   “(II) any expenditures for military con-  
15                   struction projects that were not so proposed.

16          “(2) No later than 60 days after the termination of  
17          the authority of the Secretary to carry out a closure or  
18          realignment under this part with respect to military instal-  
19          lations the date of approval of closure or realignment of  
20          which is after September 30, 2003, and no later than 60  
21          days after the closure of the Account under subsection  
22          (a)(3), the Secretary shall transmit to the congressional  
23          defense committees a report containing an accounting  
24          of—

1           “(A) all the funds deposited into and expended  
2           from the Account or otherwise expended under this  
3           part with respect to such installations; and

4           “(B) any amount remaining in the Account.

5           “(d) DISPOSAL OR TRANSFER OF COMMISSARY  
6 STORES AND PROPERTY PURCHASED WITH NON-  
7 APPROPRIATED FUNDS.—(1) If any real property or facil-  
8 ity acquired, constructed, or improved (in whole or in part)  
9 with commissary store funds or nonappropriated funds is  
10 transferred or disposed of in connection with the closure  
11 or realignment of a military installation under this part  
12 the date of approval of closure or realignment of which  
13 is after September 30, 2003, a portion of the proceeds  
14 of the transfer or other disposal of property on that instal-  
15 lation shall be deposited in the reserve account established  
16 under section 204(b)(7)(C) of the Defense Authorization  
17 Amendments and Base Closure and Realignment Act (10  
18 U.S.C. 2687 note).

19           “(2) The amount so deposited shall be equal to the  
20 depreciated value of the investment made with such funds  
21 in the acquisition, construction, or improvement of that  
22 particular real property or facility. The depreciated value  
23 of the investment shall be computed in accordance with  
24 regulations prescribed by the Secretary of Defense.

1           “(3) The Secretary may use amounts in the account  
2 (in such an aggregate amount as is provided in advance  
3 in appropriation Acts) for the purpose of acquiring, con-  
4 structing, and improving—

5           “(A) commissary stores; and

6           “(B) real property and facilities for non-  
7 appropriated fund instrumentalities.

8           “(4) In this subsection, the terms ‘commissary store  
9 funds’, ‘nonappropriated funds’, and ‘nonappropriated  
10 fund instrumentality’ shall have the meaning given those  
11 terms in section 2906(d)(4).

12           “(e) ACCOUNT EXCLUSIVE SOURCE OF FUNDS FOR  
13 ENVIRONMENTAL RESTORATION PROJECTS.—Except as  
14 provided in section 2906(e) with respect to funds in the  
15 Department of Defense Base Closure Account 1990 under  
16 section 2906 and except for funds deposited into the Ac-  
17 count under subsection (a), funds appropriated to the De-  
18 partment of Defense may not be used for purposes de-  
19 scribed in section 2905(a)(1)(C). The prohibition in this  
20 subsection shall expire upon the closure of the Account  
21 under subsection (a)(3).”.

22           (b) CONFORMING AMENDMENTS.—Section 2906 of  
23 that Act is amended—

24           (1) in subsection (a)(2)(C), by inserting “the  
25 date of approval of closure or realignment of which

1 is before September 30, 2003” after “under this  
2 part”;

3 (2) in subsection (b)(1), by inserting “with re-  
4 spect to military installations the date of approval of  
5 closure or realignment of which is before September  
6 30, 2003,” after “section 2905”;

7 (3) in subsection (c)(2)—

8 (A) in the matter preceding subparagraph  
9 (A), by inserting “with respect to military in-  
10 stallations the date of approval of closure or re-  
11 alignment of which is before September 30,  
12 2003,” after “under this part”; and

13 (B) in subparagraph (A), by inserting  
14 “with respect to such installations” after  
15 “under this part”;

16 (4) in subsection (d)(1), by inserting “the date  
17 of approval of closure or realignment of which is be-  
18 fore September 30, 2003” after “under this part”;  
19 and

20 (5) in subsection (e), by striking “Except for”  
21 and inserting “Except as provided in section  
22 2906A(e) with respect to funds in the Department  
23 of Defense Base Closure Account 2001 under sec-  
24 tion 2906A and except for”.

1 (c) CLERICAL AMENDMENT.—The section heading of  
2 section 2906 of that Act is amended to read as follows:

3 **“SEC. 2906. BASE CLOSURE ACCOUNT 1990.”.**

4 **SEC. 2903. ADDITIONAL MODIFICATIONS OF BASE CLOSURE**  
5 **AUTHORITIES.**

6 (a) INCREASE IN MEMBERS OF COMMISSION.—Sec-  
7 tion 2902(e)(1)(A) of the Defense Base Closure and Re-  
8 alignment Act of 1990 (part A of title XXIX of Public  
9 Law 101–510; 10 U.S.C. 2867 note) is amended by strik-  
10 ing “eight members” and inserting “nine members”.

11 (b) SELECTION CRITERIA.—Section 2903(b) of that  
12 Act is amended by adding at the end the following new  
13 paragraphs:

14 “(3) The selection criteria shall ensure that military  
15 value is the primary consideration in the making of rec-  
16 ommendations for the closure or realignment of military  
17 installations under this part.

18 “(4) Any selection criteria proposed by the Secretary  
19 relating to the cost savings or return on investment from  
20 the proposed closure or realignment of a military installa-  
21 tion shall take into account the effect of the proposed clo-  
22 sure or realignment on the costs of any other Federal  
23 agency that may be required to assume responsibility for  
24 activities at the military installation.”.

1 (c) DEPARTMENT OF DEFENSE RECOMMENDATIONS  
2 TO COMMISSION.—Section 2903(c) of that Act is  
3 amended—

4 (1) by redesignating paragraphs (1), (2), (3),  
5 (4), (5), and (6) as paragraphs (2), (3), (4), (6),  
6 (7), and (8), respectively;

7 (2) by inserting before paragraph (2), as so re-  
8 designated, by the following new paragraph (1):

9 “(1) The Secretary shall carry out a comprehensive  
10 review of the military installations of the Department of  
11 Defense inside the United States based on the force-struc-  
12 ture plan submitted under subsection (a)(2), and the final  
13 criteria transmitted under subsection (b)(2), in 2002. The  
14 review shall cover every type of facility or other infrastruc-  
15 ture operated by the Department of Defense.”;

16 (3) in paragraph (4), as so redesignated—

17 (A) by redesignating subparagraphs (B)  
18 and (C) as subparagraphs (C) and (D), respec-  
19 tively;

20 (B) by inserting after subparagraph (A)  
21 the following new subparagraph (B):

22 “(B) In considering military installations for closure  
23 or realignment under this part in any year after 2001,  
24 the Secretary shall consider the anticipated continuing  
25 need for and availability of military installations world-

1 wide. In evaluating the need for military installations in-  
2 side the United States, the Secretary shall take into ac-  
3 count current restrictions on the use of military installa-  
4 tions outside the United States and the potential for fu-  
5 ture prohibitions or restrictions on the use of such military  
6 installations.”; and

7 (C) in subparagraph (D), as so redesign-  
8 nated, by striking “subparagraph (B)” and in-  
9 serting “subparagraph (C)”;

10 (4) by inserting after paragraph (4), as so re-  
11 designated, the following new paragraph (5):

12 “(5)(A) In making recommendations to the Commis-  
13 sion under this subsection in any year after 2001, the Sec-  
14 retary shall consider any notice received from a local gov-  
15 ernment in the vicinity of a military installation that the  
16 government would approve of the closure or realignment  
17 of the installation.

18 “(B) Notwithstanding the requirement in subpara-  
19 graph (A), the Secretary shall make the recommendations  
20 referred to in that subparagraph based on the force-struc-  
21 ture plan and final criteria otherwise applicable to such  
22 recommendations under this section.

23 “(C) The recommendations made by the Secretary  
24 under this subsection in any year after 2001 shall include  
25 a statement of the result of the consideration of any notice

1 described in subparagraph (A) that is received with re-  
2 spect to an installation covered by such recommendations.  
3 The statement shall set forth the reasons for the result.”;  
4 and

5 (5) in paragraph (8), as so redesignated—

6 (A) in the first sentence, by striking  
7 “paragraph (5)(B)” and inserting “paragraph  
8 (7)(B)”;

9 (B) in the second sentence, by striking “24  
10 hours” and inserting “48 hours”.

11 (d) COMMISSION CHANGES IN RECOMMENDATIONS  
12 OF SECRETARY.—Section 2903(d)(2) of that Act is  
13 amended—

14 (1) in subparagraph (B), by striking “if” and  
15 inserting “only if”;

16 (2) in subparagraph (C)—

17 (A) in clause (iii), by striking “and” at the  
18 end;

19 (B) in clause (iv), by striking the period at  
20 the end and inserting “; and”;

21 (C) by adding at the end the following new  
22 clause:

23 “(v) invites the Secretary to testify at a public  
24 hearing, or a closed hearing if classified information  
25 is involved, on the proposed change.”;

1           (3) by redesignating subparagraph (E) as sub-  
2           paragraph (F); and

3           (4) by inserting after subparagraph (D) the fol-  
4           lowing new subparagraph (E):

5           “(E) In the case of a change not described in sub-  
6           paragraph (D) in the recommendations made by the Sec-  
7           retary, the Commission may make the change only if the  
8           Commission—

9           “(i) makes the determination required by sub-  
10          paragraph (B);

11          “(ii) determines that the change is consistent  
12          with the force-structure plan and final criteria re-  
13          ferred to in subsection (c)(1); and

14          “(iii) invites the Secretary to testify at a public  
15          hearing, or a closed hearing if classified information  
16          is involved, on the proposed change.”.

17          (e) PRIVATIZATION IN PLACE.—Section 2904(a) of  
18          that Act is amended—

19          (1) by redesignating paragraphs (3) and (4) as  
20          paragraphs (4) and (5), respectively; and

21          (2) by inserting after paragraph (2) the fol-  
22          lowing new paragraph (3):

23          “(3) carry out the privatization in place of a  
24          military installation recommended for closure or re-  
25          alignment by the Commission in each such report

1 after 2001 only if privatization in place is a method  
2 of closure or realignment of the installation specified  
3 in the recommendation of the Commission in such  
4 report and is determined by the Commission to be  
5 the most-cost effective method of implementation of  
6 the recommendation;”.

7 (f) IMPLEMENTATION.—

8 (1) PAYMENT FOR CERTAIN SERVICES FOR  
9 PROPERTY LEASED BACK BY THE UNITED  
10 STATES.—Section 2905(b)(4)(E) of that Act is  
11 amended—

12 (1) in clause (iii), by striking “A lease” and in-  
13 serting “Except as provided in clause (v), a lease”;  
14 and

15 (2) by adding at the end the following new  
16 clause (v):

17 “(v)(I) Notwithstanding clause (iii), a lease under  
18 clause (i) may require the United States to pay the rede-  
19 velopment authority concerned, or the assignee of the re-  
20 development authority, for facility services and common  
21 area maintenance provided for the leased property by the  
22 redevelopment authority or assignee, as the case may be.

23 “(II) The rate charged the United States for services  
24 and maintenance provided by a redevelopment authority  
25 or assignee under subclause (I) may not exceed the rate

1 charged non-Federal tenants leasing property at the in-  
2 stallation for such services and maintenance.

3 “(III) For purposes of this clause, facility services  
4 and common area maintenance shall not include municipal  
5 services that the State or local government concerned is  
6 required by law to provide without direct charge to land-  
7 owners, or firefighting or security-guard functions.”.

8 (2) TRANSFERS IN CONNECTION WITH PAY-  
9 MENT OF ENVIRONMENTAL REMEDIATION.—Section  
10 2905(e) of that Act is amended—

11 (A) in paragraph (1)(B), by adding at the  
12 end the following new sentence: “The real prop-  
13 erty and facilities referred to in subparagraph  
14 (A) are also the real property and facilities lo-  
15 cated at an installation approved for closure or  
16 realignment under this part after 2001 that are  
17 available for purposes other than to assist the  
18 homeless.”;

19 (B) in paragraph (2)(A), by striking “to be  
20 paid by the recipient of the property or facili-  
21 ties” and inserting “otherwise to be paid by the  
22 Secretary with respect to the property or facili-  
23 ties”;

24 (C) by striking paragraph (6);

1 (D) by redesignating paragraphs (3), (4),  
2 and (5) as paragraphs (4), (5), (6), respec-  
3 tively; and

4 (E) by inserting after paragraph (2) the  
5 following new paragraph (3):

6 “(3) In the case of property or facilities covered by  
7 a certification under paragraph (2)(A), the Secretary may  
8 pay the recipient of such property or facilities an amount  
9 equal to the lesser of—

10 “(A) the amount by which the costs incurred by  
11 the recipient of such property or facilities for all en-  
12 vironmental restoration, waste, management, and  
13 environmental compliance activities with respect to  
14 such property or facilities exceed the fair market  
15 value of such property or facilities as specified in  
16 such certification; or

17 “(B) the amount by which the costs (as deter-  
18 mined by the Secretary) that would otherwise have  
19 been incurred by the Secretary for such restoration,  
20 management, and activities with respect to such  
21 property or facilities exceed the fair market value of  
22 such property or facilities as so specified.”.

23 (3) SCOPE OF INDEMNIFICATION OF TRANS-  
24 FERREES IN CONNECTION WITH PAYMENT OF ENVI-  
25 RONMENTAL REMEDIATION.—Paragraph (6) of sec-

1       tion 2905(e) of that Act, as redesignated by para-  
2       graph (1) of this subsection, is further amended by  
3       inserting before the period the following: “, except in  
4       the case of releases or threatened releases not dis-  
5       closed pursuant to paragraph (4)”.

6       **SEC. 2904. TECHNICAL AND CLARIFYING AMENDMENTS.**

7       (a) COMMENCEMENT OF PERIOD FOR NOTICE OF IN-  
8       TEREST IN PROPERTY FOR HOMELESS.—Section  
9       2905(b)(7)(D)(ii)(I) of the Defense Base Closure and Re-  
10      alignment Act of 1990 (part A of title XXIX of Public  
11      Law 101–510; 10 U.S.C. 2867 note) is amended by strik-  
12      ing “that date” and inserting “the date of publication of  
13      such determination in a newspaper of general circulation  
14      in the communities in the vicinity of the installation under  
15      subparagraph (B)(i)(IV)”.

16      (b) OTHER CLARIFYING AMENDMENTS.—(1) That  
17      Act is further amended by inserting “or realignment”  
18      after “closure” each place it appears in the following pro-  
19      visions:

20              (A) Section 2905(b)(3).

21              (B) Section 2905(b)(5).

22              (C) Section 2905(b)(7)(B)(iv).

23              (D) Section 2905(b)(7)(N).

24              (E) Section 2910(10)(B).

1           (2) That Act is further amended by inserting “or re-  
2 aligned” after “closed” each place it appears in the fol-  
3 lowing provisions:

4           (A) Section 2905(b)(3)(C)(ii).

5           (B) Section 2905(b)(3)(D).

6           (C) Section 2905(b)(3)(E).

7           (D) Section 2905(b)(4)(A).

8           (E) Section 2905(b)(5)(A).

9           (F) Section 2910(9).

10          (G) Section 2910(10).

11          (3) Section 2905(e)(1)(B) of that Act is amended by  
12 inserting “, or realigned or to be realigned,” after “closed  
13 or to be closed”.

14           **Subtitle B—Modification of 1988**  
15                           **Base Closure Law**

16           **SEC. 2911. PAYMENT FOR CERTAIN SERVICES PROVIDED BY**  
17                           **REDEVELOPMENT AUTHORITIES FOR PROP-**  
18                           **ERTY LEASED BACK BY THE UNITED STATES.**

19          Section 204(b)(4) of the Defense Authorization  
20 Amendments and Base Closure and Realignment Act of  
21 (Public Law 100–526; 10 U.S.C. 2687 note) is amended  
22 by adding at the end the following new subparagraph (J):

23           “(J)(i) The Secretary may transfer real property at  
24 an installation approved for closure or realignment under  
25 this title (including property at an installation approved

1 for realignment which will be retained by the Department  
2 of Defense or another Federal agency after realignment)  
3 to the redevelopment authority for the installation if the  
4 redevelopment authority agrees to lease, directly upon  
5 transfer, one or more portions of the property transferred  
6 under this subparagraph to the Secretary or to the head  
7 of another department or agency of the Federal Govern-  
8 ment. Subparagraph (B) shall apply to a transfer under  
9 this subparagraph.

10 “(ii) A lease under clause (i) shall be for a term of  
11 not to exceed 50 years, but may provide for options for  
12 renewal or extension of the term by the department or  
13 agency concerned.

14 “(iii) Except as provided in clause (v), a lease under  
15 clause (i) may not require rental payments by the United  
16 States.

17 “(iv) A lease under clause (i) shall include a provision  
18 specifying that if the department or agency concerned  
19 ceases requiring the use of the leased property before the  
20 expiration of the term of the lease, the remainder of the  
21 lease term may be satisfied by the same or another depart-  
22 ment or agency of the Federal Government using the prop-  
23 erty for a use similar to the use under the lease. Exercise  
24 of the authority provided by this clause shall be made in  
25 consultation with the redevelopment authority concerned.

1       “(v)(I) Notwithstanding clause (iii), a lease under  
2 clause (i) may require the United States to pay the rede-  
3 velopment authority concerned, or the assignee of the re-  
4 development authority, for facility services and common  
5 area maintenance provided for the leased property by the  
6 redevelopment authority or assignee, as the case may be.

7       “(II) The rate charged the United States for services  
8 and maintenance provided by a redevelopment authority  
9 or assignee under subclause (I) may not exceed the rate  
10 charged non-Federal tenants leasing property at the in-  
11 stallation for such services and maintenance.

12       “(III) For purposes of this clause, facility services  
13 and common area maintenance shall not include municipal  
14 services that the State or local government concerned is  
15 required by law to provide without direct charge to land-  
16 owners, or firefighting or security-guard functions.”.

1 **DIVISION C—DEPARTMENT OF**  
2 **ENERGY NATIONAL SECURITY**  
3 **AUTHORIZATIONS AND**  
4 **OTHER AUTHORIZATIONS**  
5 **TITLE XXXI—DEPARTMENT OF**  
6 **ENERGY NATIONAL SECURITY**  
7 **PROGRAMS**  
8 **Subtitle A—National Security**  
9 **Programs Authorizations**

10 **SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRA-**  
11 **TION.**

12 (a) IN GENERAL.—Subject to subsection (b), funds  
13 are hereby authorized to be appropriated to the Depart-  
14 ment of Energy for fiscal year 2002 for the activities of  
15 the National Nuclear Security Administration in carrying  
16 out programs necessary for national security in the  
17 amount of \$7,351,721,000, to be allocated as follows:

18 (1) WEAPONS ACTIVITIES.—For weapons activi-  
19 ties, \$5,481,795,000, to be allocated as follows:

20 (A) For stewardship operation and mainte-  
21 nance, \$4,687,443,000, to be allocated as fol-  
22 lows:

23 (i) For directed stockpile work,  
24 \$1,016,922,000.

1 (ii) For campaigns, \$2,137,300,000,  
2 to be allocated as follows:

3 (I) For operation and mainte-  
4 nance, \$1,767,328,000.

5 (II) For plant projects (including  
6 maintenance, restoration, planning,  
7 construction, acquisition, modification  
8 of facilities, and the continuation of  
9 projects authorized in prior years, and  
10 land acquisition related thereto),  
11 \$369,972,000, to be allocated as fol-  
12 lows:

13 Project 01–D–101, distrib-  
14 uted information systems labora-  
15 tory, Sandia National Labora-  
16 tories, Livermore, California,  
17 \$5,400,000.

18 Project 00–D–103, terascale  
19 simulation facility, Lawrence  
20 Livermore National Laboratory,  
21 Livermore, California,  
22 \$22,000,000.

23 Project 00–D–105, strategic  
24 computing complex, Los Alamos

1 National Laboratory, Los Ala-  
2 mos, New Mexico, \$11,070,000.

3 Project 00-D-107, joint  
4 computational engineering lab-  
5 oratory, Sandia National Labora-  
6 tories, Albuquerque, New Mexico,  
7 \$5,377,000.

8 Project 98-D-125, tritium  
9 extraction facility, Savannah  
10 River Plant, Aiken, South Caro-  
11 lina, \$81,125,000.

12 Project 96-D-111, national  
13 ignition facility (NIF), Lawrence  
14 Livermore National Laboratory,  
15 Livermore, California,  
16 \$245,000,000.

17 (iii) For readiness in technical base  
18 and facilities, \$1,533,221,000, to be allo-  
19 cated as follows:

20 (I) For operation and mainte-  
21 nance, \$1,356,107,000.

22 (II) For plant projects (including  
23 maintenance, restoration, planning,  
24 construction, acquisition, modification  
25 of facilities, and the continuation of

1 projects authorized in prior years, and  
2 land acquisition related thereto),  
3 \$177,114,000, to be allocated as fol-  
4 lows:

5 Project 02-D-101, micro-  
6 systems and engineering sciences  
7 applications (MESA), Sandia Na-  
8 tional Laboratories, Albuquerque,  
9 New Mexico, \$39,000,000.

10 Project 02-D-103, project  
11 engineering and design (PE&D),  
12 various locations, \$31,130,000.

13 Project 02-D-107, electrical  
14 power systems safety communica-  
15 tions and bus upgrades, Nevada  
16 Test Site, Nevada, \$3,507,000.

17 Project 01-D-103, prelimi-  
18 nary project design and engineer-  
19 ing, various locations,  
20 \$16,379,000.

21 Project 01-D-124, highly  
22 enriched uranium (HEU) mate-  
23 rials storage facility, Y-12 Plant,  
24 Oak Ridge, Tennessee, \$0.

1           Project 01–D–126, weapons  
2           evaluation test laboratory,  
3           Pantex Plant, Amarillo, Texas,  
4           \$7,700,000.

5           Project 01–D–800, sensitive  
6           compartmented information facil-  
7           ity, Lawrence Livermore Na-  
8           tional Laboratory, Livermore,  
9           California, \$12,993,000.

10          Project 99–D–103, isotope  
11          sciences facilities, Lawrence  
12          Livermore National Laboratory,  
13          Livermore,           California,  
14          \$4,400,000.

15          Project 99–D–104, protec-  
16          tion of real property (roof recon-  
17          struction, phase II), Lawrence  
18          Livermore National Laboratory,  
19          Livermore,           California,  
20          \$2,800,000.

21          Project 99–D–106, model  
22          validation and system certifi-  
23          cation center, Sandia National  
24          Laboratories, Albuquerque, New  
25          Mexico, \$4,955,00.

1           Project 99–D–108, renova-  
2           tion of existing roadways, Nevada  
3           Test Site, Nevada, \$2,000,000.

4           Project 99–D–125, replace  
5           boilers and controls, Kansas City  
6           Plant, Kansas City, Missouri,  
7           \$300,000.

8           Project 99–D–127, stockpile  
9           management restructuring initia-  
10          tive, Kansas City Plant, Kansas  
11          City, Missouri, \$22,200,000.

12          Project 99–D–128, stockpile  
13          management restructuring initia-  
14          tive, Pantex Plant, Amarillo,  
15          Texas, \$3,300,000.

16          Project 98–D–123, stockpile  
17          management restructuring initia-  
18          tive, tritium facility moderniza-  
19          tion and consolidation, Savannah  
20          River Plant, Aiken, South Caro-  
21          lina, \$13,700,000.

22          Project 98–D–124, stockpile  
23          management restructuring initia-  
24          tive, Y–12 Plant consolidation,

1 Oak Ridge, Tennessee,  
2 \$6,850,000.

3 Project 97-D-123, struc-  
4 tural upgrades, Kansas City  
5 Plant, Kansas City, Missouri,  
6 \$3,000,000.

7 Project 96-D-102, stockpile  
8 stewardship facilities revitaliza-  
9 tion, Phase VI, various locations,  
10 \$2,900,000.

11 (B) For secure transportation asset,  
12 \$77,571,000, to be allocated for operation and  
13 maintenance.

14 (C) For safeguards and security,  
15 \$448,881,000, to be allocated as follows:

16 (i) For operation and maintenance,  
17 \$439,281,000.

18 (ii) For plant projects (including  
19 maintenance, restoration, planning, con-  
20 struction, acquisition, modification of fa-  
21 cilities, and the continuation of projects  
22 authorized in prior years, and land acquisi-  
23 tion related thereto), \$9,600,000, to be al-  
24 located as follows:

1                   Project 99–D–132, stockpile  
2                   management restructuring initiative,  
3                   nuclear material safeguards and secu-  
4                   rity upgrade project, Los Alamos Na-  
5                   tional Laboratory, Los Alamos, New  
6                   Mexico, \$9,600,000.

7                   (D) For facilities and infrastructure,  
8                   \$267,900,000.

9                   (2) DEFENSE NUCLEAR NONPROLIFERATION.—  
10                  For other nuclear security activities, \$872,500,000,  
11                  to be allocated as follows:

12                  (A) For nonproliferation and verification  
13                  research and development, \$258,161,000, to be  
14                  allocated as follows:

15                   (i) For operation and maintenance,  
16                   \$222,355,000.

17                   (ii) For plant projects (including  
18                   maintenance, restoration, planning, con-  
19                   struction, acquisition, modification of fa-  
20                   cilities, and the continuation of projects  
21                   authorized in prior years, and land acquisi-  
22                   tion related thereto), \$35,806,000, to be  
23                   allocated as follows:

24                   Project 00–D–192, nonprolifera-  
25                   tion and international security center

1 (NISC), Los Alamos National Labora-  
2 tory, Los Alamos, New Mexico,  
3 \$35,806,000.

4 (B) For arms control, \$138,000,000.

5 (C) For international materials protection,  
6 control, and accounting, \$143,800,000.

7 (D) For highly enriched uranium trans-  
8 parency implementation, \$13,950,000.

9 (E) For international nuclear safety,  
10 \$19,500,000.

11 (F) For fissile materials control and dis-  
12 position, \$299,089,000, to be allocated as fol-  
13 lows:

14 (i) For United States surplus fissile  
15 materials disposition, \$233,089,000, to be  
16 allocated as follows:

17 (I) For operation and mainte-  
18 nance, \$130,089,000.

19 (II) For plant projects (including  
20 maintenance, restoration, planning,  
21 construction, acquisition, modification  
22 of facilities, and the continuation of  
23 projects authorized in prior years, and  
24 land acquisition related thereto),

1                   \$103,000,000, to be allocated as fol-  
2                   lows:

3                   Project 01-D-142, immo-  
4                   bilization and associated proc-  
5                   essing facility, (Title I and II de-  
6                   sign), Savannah River Site,  
7                   Aiken, South Carolina, \$0.

8                   Project 01-D-407, highly  
9                   enriched uranium blend-down,  
10                  Savannah River Site, Aiken,  
11                  South Carolina, \$24,000,000.

12                  Project 99-D-141, pit dis-  
13                  assembly and conversion facility  
14                  (Title I and II design), Savannah  
15                  River Site, Aiken, South Caro-  
16                  lina, \$16,000,000.

17                  Project 99-D-143, mixed  
18                  oxide fuel fabrication facility  
19                  (Title I and II design), Savannah  
20                  River Site, Aiken, South Caro-  
21                  lina, \$63,000,000.

22                  (ii) For Russian fissile materials dis-  
23                  position, \$66,000,000.

24                  (3) NAVAL REACTORS.—For naval reactors,  
25                  \$688,045,000, to be allocated as follows:

1 (A) For naval reactors development,  
2 \$665,445,000, to be allocated as follows:

3 (i) For operation and maintenance,  
4 \$652,245,000.

5 (ii) For plant projects (including  
6 maintenance, restoration, planning, con-  
7 struction, acquisition, modification of fa-  
8 cilities, and the continuation of projects  
9 authorized in prior years, and land acquisi-  
10 tion related thereto), \$13,200,000, to be  
11 allocated as follows:

12 Project 01–D–200, major office  
13 replacement building, Schenectady,  
14 New York, \$9,000,000.

15 Project 90–N–102, expended core  
16 facility dry cell project, Naval Reac-  
17 tors Facility, Idaho, \$4,200,000.

18 (B) For program direction, \$22,600,000.

19 (4) OFFICE OF ADMINISTRATOR FOR NUCLEAR  
20 SECURITY.—For the Office of the Administrator for  
21 Nuclear Security, and for program direction for the  
22 National Nuclear Security Administration (other  
23 than for naval reactors), \$380,366,000.

1 (b) ADJUSTMENTS.—The amount authorized to be  
2 appropriated by subsection (a) is hereby reduced by  
3 \$70,985,000, as follows:

4 (1) The amount authorized to be appropriated  
5 by paragraph (1) of that subsection is hereby re-  
6 duced by \$28,985,000, which is to be derived from  
7 offsets and use of prior year balances.

8 (2) The amount authorized to be appropriated  
9 by paragraph (2) of that subsection is hereby re-  
10 duced by \$42,000,000, which is to be derived from  
11 use of prior year balances.

12 **SEC. 3102. DEFENSE ENVIRONMENTAL RESTORATION AND**  
13 **WASTE MANAGEMENT.**

14 (a) IN GENERAL.—Subject to subsection (b), funds  
15 are hereby authorized to be appropriated to the Depart-  
16 ment of Energy for fiscal year 2002 for environmental res-  
17 toration and waste management activities in carrying out  
18 programs necessary for national security in the amount  
19 of \$6,047,617,000, to be allocated as follows:

20 (1) CLOSURE PROJECTS.—For closure projects  
21 carried out in accordance with section 3143 of the  
22 National Defense Authorization Act for Fiscal Year  
23 1997 (Public Law 104–201; 110 Stat. 2836; 42  
24 U.S.C. 7277n), \$1,080,538,000.

1           (2) SITE/PROJECT COMPLETION.—For site com-  
2           pletion and project completion in carrying out envi-  
3           ronmental management activities necessary for na-  
4           tional security programs, \$943,196,000, to be allo-  
5           cated as follows:

6                   (A) For operation and maintenance,  
7                   \$919,030,000.

8                   (B) For plant projects (including mainte-  
9                   nance, restoration, planning, construction, ac-  
10                  quisition, modification of facilities, and the con-  
11                  tinuation of projects authorized in prior years,  
12                  and land acquisition related thereto),  
13                  \$24,166,000, to be allocated as follows:

14                   Project 02–D–402, Intec cathodic  
15                   protection system expansion, Idaho Na-  
16                   tional Engineering and Environmental  
17                   Laboratory, Idaho Falls, Idaho,  
18                   \$3,256,000.

19                   Project 01–D–414, preliminary  
20                   project engineering and design (PE&D),  
21                   various locations, \$6,254,000.

22                   Project 99–D–402, tank farm support  
23                   services, F&H areas, Savannah River Site,  
24                   Aiken, South Carolina, \$5,040,000.

1                   Project 99–D–404, health physics in-  
2                   strumentation laboratory, Idaho National  
3                   Engineering and Environmental Labora-  
4                   tories, Idaho Falls, Idaho, \$2,700,000.

5                   Project 98–D–453, plutonium sta-  
6                   bilization and handling system for pluto-  
7                   nium finishing plant, Richland, Wash-  
8                   ington, \$1,910,000.

9                   Project 96–D–471, chlorofluorocarbon  
10                  heating, ventilation, and air conditioning  
11                  and chiller retrofit, Savannah River Site,  
12                  Aiken, South Carolina, \$4,244,000.

13                  Project 92–D–140, F&H canyon ex-  
14                  haust upgrades, Savannah River Site,  
15                  Aiken, South Carolina, \$0.

16                  Project 86–D–103, decontamination  
17                  and waste treatment facility, Lawrence  
18                  Livermore National Laboratory, Liver-  
19                  more, California, \$762,000.

20                  (3) POST-2006 COMPLETION.—For post-2006  
21                  completion in carrying out environmental restoration  
22                  and waste management activities necessary for na-  
23                  tional security programs, \$3,245,201,000, to be allo-  
24                  cated as follows:

1 (A) For operation and maintenance,  
2 \$1,955,979,000.

3 (B) For plant projects (including mainte-  
4 nance, restoration, planning, construction, ac-  
5 quisition, modification of facilities, and the con-  
6 tinuation of projects authorized in prior years,  
7 and land acquisition related thereto),  
8 \$6,754,000, to be allocated as follows:

9 Project 93-D-187, high-level waste  
10 removal from filled waste tanks, Savannah  
11 River Site, Aiken, South Carolina,  
12 \$6,754,000.

13 (C) For the Office of River Protection in  
14 carrying out environmental restoration and  
15 waste management activities necessary for na-  
16 tional security programs, \$862,468,000, to be  
17 allocated as follows:

18 (i) For operation and maintenance,  
19 \$322,151,000.

20 (ii) For plant projects (including  
21 maintenance, restoration, planning, con-  
22 struction, acquisition, modification of fa-  
23 cilities, and the continuation of projects  
24 authorized in prior years, and land acquisi-

1 tion related thereto), \$540,317,000, to be  
2 allocated as follows:

3 Project 01-D-416, waste treat-  
4 ment and immobilization plant, Rich-  
5 land, Washington, \$500,000,000.

6 Project 97-D-402, tank farm  
7 restoration and safe operations, Rich-  
8 land, Washington, \$33,473,000.

9 Project 94-D-407, initial tank  
10 retrieval systems, Richland, Wash-  
11 ington, \$6,844,000.

12 (4) SCIENCE AND TECHNOLOGY DEVELOP-  
13 MENT.—For science and technology development in  
14 carrying out environmental restoration and waste  
15 management activities necessary for national secu-  
16 rity programs, \$216,000,000.

17 (5) EXCESS FACILITIES.—For excess facilities  
18 in carrying out environmental restoration and waste  
19 management activities necessary for national secu-  
20 rity programs, \$1,300,000.

21 (6) SAFEGUARDS AND SECURITY.—For safe-  
22 guards and security in carrying out environmental  
23 restoration and waste management activities nec-  
24 essary for national security programs,  
25 \$205,621,000.

1           (7) PROGRAM DIRECTION.—For program direc-  
2           tion in carrying out environmental restoration and  
3           waste management activities necessary for national  
4           security programs, \$355,761,000.

5           (b) ADJUSTMENT.—The total amount authorized to  
6           be appropriated by subsection (a) is the sum of the  
7           amounts authorized to be appropriated by paragraphs (2)  
8           through (7) of that subsection, reduced by \$42,161,000,  
9           to be derived from offsets and use of prior year balances.

10 **SEC. 3103. OTHER DEFENSE ACTIVITIES.**

11           (a) IN GENERAL.—Subject to subsection (b), funds  
12           are hereby authorized to be appropriated to the Depart-  
13           ment of Energy for fiscal year 2002 for other defense ac-  
14           tivities in carrying out programs necessary for national se-  
15           curity in the amount of \$512,195,000, to be allocated as  
16           follows:

17           (1) INTELLIGENCE.—For intelligence,  
18           \$40,844,000.

19           (2) COUNTERINTELLIGENCE.—For counter-  
20           intelligence, \$46,389,000.

21           (3) SECURITY AND EMERGENCY OPERATIONS.—  
22           For security and emergency operations,  
23           \$247,565,000, to be allocated as follows:

24                   (A) For nuclear safeguards and security,  
25                   \$121,188,000.

1 (B) For security investigations,  
2 \$44,927,000.

3 (C) For program direction, \$81,450,000.

4 (4) INDEPENDENT OVERSIGHT AND PERFORM-  
5 ANCE ASSURANCE.—For independent oversight and  
6 performance assurance, \$14,904,000.

7 (5) ENVIRONMENT, SAFETY, AND HEALTH.—  
8 For the Office of Environment, Safety, and Health,  
9 \$114,600,000, to be allocated as follows:

10 (A) For environment, safety, and health  
11 (defense), \$91,307,000.

12 (B) For program direction, \$23,293,000.

13 (6) WORKER AND COMMUNITY TRANSITION AS-  
14 SISTANCE.—For worker and community transition  
15 assistance, \$20,000,000, to be allocated as follows:

16 (A) For worker and community transition,  
17 \$18,000,000.

18 (B) For program direction, \$2,000,000.

19 (7) OFFICE OF HEARINGS AND APPEALS.—For  
20 the Office of Hearings and Appeals, \$2,893,000.

21 (8) NATIONAL SECURITY PROGRAMS ADMINIS-  
22 TRATIVE SUPPORT.—For national security programs  
23 administrative support, \$25,000,000.

24 (b) ADJUSTMENTS.—

1           (1) SECURITY AND EMERGENCY OPERATIONS,  
2           FOR PROGRAM DIRECTION.—The amount authorized  
3           to be appropriated pursuant to subsection (a)(3)(B)  
4           is reduced by \$712,000 to reflect an offset provided  
5           by user organizations for security investigations.

6           (2) OTHER.—The total amount authorized to  
7           be appropriated pursuant to paragraphs (1), (2),  
8           (4), (5), (6), (7), and (8) of subsection (a) is hereby  
9           reduced by \$10,000,000 to reflect use of prior year  
10          balances.

11 **SEC. 3104. DEFENSE ENVIRONMENTAL MANAGEMENT PRI-**  
12 **VATIZATION.**

13          Funds are hereby authorized to be appropriated to  
14          the Department of Energy for fiscal year 2002 for privat-  
15          ization initiatives in carrying out environmental restora-  
16          tion and waste management activities necessary for na-  
17          tional security programs in the amount of \$157,537,000,  
18          to be allocated as follows:

19                 Project 02–PVT–1, Paducah disposal facility,  
20                 Paducah, Kentucky, \$13,329,000.

21                 Project 02–PVT–2, Portsmouth disposal facil-  
22                 ity, Portsmouth, Ohio, \$2,000,000.

23                 Project 98–PVT–2, spent nuclear fuel dry stor-  
24                 age, Idaho Falls, Idaho, \$49,332,000.

1           Project 98–PVT–5, environmental manage-  
2           ment/waste management disposal, Oak Ridge, Ten-  
3           nessee, \$26,065,000.

4           Project 97–PVT–2, advanced mixed waste  
5           treatment project, Idaho Falls, Idaho, \$56,000,000.

6           Project 97–PVT–3, transuranic waste treat-  
7           ment, Oak Ridge, Tennessee, \$10,826,000.

8   **SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.**

9           Funds are hereby authorized to be appropriated to  
10          the Department of Energy for fiscal year 2002 for pay-  
11          ment to the Nuclear Waste Fund established in section  
12          302(C) of the Nuclear Waste Policy Act of 1982 (42  
13          U.S.C. 10222(c)) in the amount of \$250,000,000.

14           **Subtitle B—Recurring General**  
15           **Provisions**

16   **SEC. 3121. REPROGRAMMING.**

17          (a) IN GENERAL.—Until the Secretary of Energy  
18          submits to the congressional defense committees the re-  
19          port referred to in subsection (b) and a period of 30 days  
20          has elapsed after the date on which such committees re-  
21          ceive the report, the Secretary may not use amounts ap-  
22          propriated pursuant to this title for any program—

23                  (1) in amounts that exceed, in a fiscal year—

24                          (A) 110 percent of the amount authorized  
25                          for that program by this title; or

1 (B) \$2,000,000 more than the amount au-  
2 thorized for that program by this title; or

3 (2) which has not been presented to, or re-  
4 quested of, Congress.

5 (b) REPORT.—(1) The report referred to in sub-  
6 section (a) is a report containing a full and complete state-  
7 ment of the action proposed to be taken and the facts and  
8 circumstances relied upon in support of the proposed ac-  
9 tion.

10 (2) In the computation of the 30-day period under  
11 subsection (a), there shall be excluded any day on which  
12 either House of Congress is not in session because of an  
13 adjournment of more than 3 days to a day certain.

14 (c) LIMITATIONS.—(1) In no event may the total  
15 amount of funds obligated pursuant to this title exceed  
16 the total amount authorized to be appropriated by this  
17 title.

18 (2) Funds appropriated pursuant to this title may not  
19 be used for an item for which Congress has specifically  
20 denied funds.

21 **SEC. 3122. LIMITS ON MINOR CONSTRUCTION PROJECTS.**

22 (a) IN GENERAL.—The Secretary of Energy may  
23 carry out any minor construction project using operation  
24 and maintenance funds, or facilities and infrastructure  
25 funds, authorized by this title.

1 (b) ANNUAL REPORT.—The Secretary shall submit  
2 to the congressional defense committees on an annual  
3 basis a report on each exercise of the authority in sub-  
4 section (a) during the preceding year. Each report shall  
5 give a brief description of each minor construction project  
6 covered by such report.

7 (c) MINOR CONSTRUCTION PROJECT DEFINED.—In  
8 this section, the term “minor construction project” means  
9 any plant project not specifically authorized by law if the  
10 approved total estimated cost of the plant project does not  
11 exceed \$5,000,000.

12 **SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.**

13 (a) IN GENERAL.—(1) Except as provided in para-  
14 graph (2), construction on a construction project may not  
15 be started or additional obligations incurred in connection  
16 with the project above the total estimated cost, whenever  
17 the current estimated cost of the construction project, au-  
18 thorized by 3101, 3102, or 3103, or which is in support  
19 of national security programs of the Department of En-  
20 ergy and was authorized by any previous Act, exceeds by  
21 more than 25 percent the higher of—

22 (A) the amount authorized for the project; or

23 (B) the amount of the total estimated cost for  
24 the project as shown in the most recent budget jus-  
25 tification data submitted to Congress.

1       (2) An action described in paragraph (1) may be  
2 taken if—

3           (A) the Secretary of Energy has submitted to  
4 the congressional defense committees a report on the  
5 actions and the circumstances making such action  
6 necessary; and

7           (B) a period of 30 days has elapsed after the  
8 date on which the report is received by the commit-  
9 tees.

10       (3) In the computation of the 30-day period under  
11 paragraph (2), there is excluded any day on which either  
12 House of Congress is not in session because of an adjourn-  
13 ment of more than 3 days to a day certain.

14       (b) EXCEPTION.—Subsection (a) does not apply to a  
15 construction project with a current estimated cost of less  
16 than \$5,000,000.

17 **SEC. 3124. FUND TRANSFER AUTHORITY.**

18       (a) TRANSFER TO OTHER FEDERAL AGENCIES.—  
19 The Secretary of Energy may transfer funds authorized  
20 to be appropriated to the Department of Energy pursuant  
21 to this title to other Federal agencies for the performance  
22 of work for which the funds were authorized. Funds so  
23 transferred may be merged with and be available for the  
24 same purposes and for the same time period as the author-

1 izations of the Federal agency to which the amounts are  
2 transferred.

3 (b) TRANSFER WITHIN DEPARTMENT OF ENERGY.—

4 (1) Subject to paragraph (2), the Secretary of Energy may  
5 transfer funds authorized to be appropriated to the De-  
6 partment of Energy pursuant to this title between any  
7 such authorizations. Amounts of authorizations so trans-  
8 ferred may be merged with and be available for the same  
9 purposes and for the same period as the authorization to  
10 which the amounts are transferred.

11 (2) Not more than 5 percent of any such authoriza-  
12 tion may be transferred between authorizations under  
13 paragraph (1). No such authorization may be increased  
14 or decreased by more than 5 percent by a transfer under  
15 such paragraph.

16 (c) LIMITATIONS.—The authority provided by this  
17 subsection to transfer authorizations—

18 (1) may be used only to provide funds for items  
19 relating to activities necessary for national security  
20 programs that have a higher priority than the items  
21 from which the funds are transferred; and

22 (2) may not be used to provide funds for an  
23 item for which Congress has specifically denied  
24 funds.

1 (d) NOTICE TO CONGRESS.—The Secretary of En-  
2 ergy shall promptly notify the Committees on Armed Serv-  
3 ices of the Senate and House of Representatives of any  
4 transfer of funds to or from authorizations under this  
5 title.

6 **SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUC-**  
7 **TION DESIGN.**

8 (a) REQUIREMENT OF CONCEPTUAL DESIGN.—(1)  
9 Subject to paragraph (2) and except as provided in para-  
10 graph (3), before submitting to Congress a request for  
11 funds for a construction project that is in support of a  
12 national security program of the Department of Energy,  
13 the Secretary of Energy shall complete a conceptual de-  
14 sign for that project.

15 (2) If the estimated cost of completing a conceptual  
16 design for a construction project exceeds \$3,000,000, the  
17 Secretary shall submit to Congress a request for funds for  
18 the conceptual design before submitting a request for  
19 funds for the construction project.

20 (3) The requirement in paragraph (1) does not apply  
21 to a request for funds—

22 (A) for a minor construction project the total  
23 estimated cost of which is less than \$5,000,000; or

24 (B) for emergency planning, design, and con-  
25 struction activities under section 3126.

1 (b) **AUTHORITY FOR CONSTRUCTION DESIGN.**—(1)  
2 Within the amounts authorized by this title, the Secretary  
3 of Energy may carry out construction design (including  
4 architectural and engineering services) in connection with  
5 any proposed construction project if the total estimated  
6 cost for such design does not exceed \$600,000.

7 (2) If the total estimated cost for construction design  
8 in connection with any construction project exceeds  
9 \$600,000, funds for that design must be specifically au-  
10 thorized by law.

11 **SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DE-**  
12 **SIGN, AND CONSTRUCTION ACTIVITIES.**

13 (a) **AUTHORITY.**—The Secretary of Energy may use  
14 any funds available to the Department of Energy pursuant  
15 to an authorization in this title, including funds authorized  
16 to be appropriated for advance planning, engineering, and  
17 construction design, and for plant projects, under sections  
18 3101, 3102, 3103, and 3104 to perform planning, design,  
19 and construction activities for any Department of Energy  
20 national security program construction project that, as de-  
21 termined by the Secretary, must proceed expeditiously in  
22 order to protect public health and safety, to meet the  
23 needs of national defense, or to protect property.

24 (b) **LIMITATION.**—The Secretary may not exercise  
25 the authority under subsection (a) in the case of any con-

1 construction project until the Secretary has submitted to the  
2 congressional defense committees a report on the activities  
3 that the Secretary intends to carry out under this section  
4 and the circumstances making those activities necessary.

5 (c) SPECIFIC AUTHORITY.—The requirement of sec-  
6 tion 3125(b)(2) does not apply to emergency planning, de-  
7 sign, and construction activities conducted under this sec-  
8 tion.

9 **SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECU-**  
10 **RITY PROGRAMS OF THE DEPARTMENT OF**  
11 **ENERGY.**

12 Subject to the provisions of appropriation Acts and  
13 section 3121, amounts appropriated pursuant to this title  
14 for management and support activities and for general  
15 plant projects are available for use, when necessary, in  
16 connection with all national security programs of the De-  
17 partment of Energy.

18 **SEC. 3128. AVAILABILITY OF FUNDS.**

19 (a) IN GENERAL.—Except as provided in subsection  
20 (b), when so specified in an appropriations Act, amounts  
21 appropriated for operation and maintenance or for plant  
22 projects may remain available until expended.

23 (b) EXCEPTION FOR PROGRAM DIRECTION FUNDS.—  
24 Amounts appropriated for program direction pursuant to  
25 an authorization of appropriations in subtitle A shall re-

1 main available to be expended only until the end of fiscal  
2 year 2004.

3 **SEC. 3129. TRANSFER OF DEFENSE ENVIRONMENTAL MAN-**  
4 **AGEMENT FUNDS.**

5 (a) TRANSFER AUTHORITY FOR DEFENSE ENVIRON-  
6 MENTAL MANAGEMENT FUNDS.—The Secretary of En-  
7 ergy shall provide the manager of each field office of the  
8 Department of Energy with the authority to transfer de-  
9 fense environmental management funds from a program  
10 or project under the jurisdiction of the office to another  
11 such program or project.

12 (b) LIMITATIONS.—(1) Not more than three trans-  
13 fers may be made to or from any program or project under  
14 subsection (a) in a fiscal year.

15 (2) The amount transferred to or from a program  
16 or project under in any one transfer under subsection (a)  
17 may not exceed \$5,000,000.

18 (3) A transfer may not be carried out by a manager  
19 of a field office under subsection (a) unless the manager  
20 determines that the transfer is necessary to address a risk  
21 to health, safety, or the environment or to assure the most  
22 efficient use of defense environmental management funds  
23 at the field office.

24 (4) Funds transferred pursuant to subsection (a)  
25 may not be used for an item for which Congress has spe-

1 cifically denied funds or for a new program or project that  
2 has not been authorized by Congress.

3 (c) EXEMPTION FROM REPROGRAMMING REQUIRE-  
4 MENTS.—The requirements of section 3121 shall not  
5 apply to transfers of funds pursuant to subsection (a).

6 (d) NOTIFICATION.—The Secretary, acting through  
7 the Assistant Secretary of Energy for Environmental  
8 Management, shall notify Congress of any transfer of  
9 funds pursuant to subsection (a) not later than 30 days  
10 after such transfer occurs.

11 (e) DEFINITIONS.—In this section:

12 (1) The term “program or project” means, with  
13 respect to a field office of the Department of En-  
14 ergy, any of the following:

15 (A) A program referred to or a project list-  
16 ed in paragraph (2) or (3) of section 3102(a).

17 (B) A program or project not described in  
18 subparagraph (A) that is for environmental res-  
19 toration or waste management activities nec-  
20 essary for national security programs of the De-  
21 partment, that is being carried out by the of-  
22 fice, and for which defense environmental man-  
23 agement funds have been authorized and appro-  
24 priated before the date of the enactment of this  
25 Act.

1           (2) The term “defense environmental manage-  
2           ment funds” means funds appropriated to the De-  
3           partment of Energy pursuant to an authorization for  
4           carrying out environmental restoration and waste  
5           management activities necessary for national secu-  
6           rity programs.

7           (f) DURATION OF AUTHORITY.—The managers of the  
8           field offices of the Department may exercise the authority  
9           provided under subsection (a) during the period beginning  
10          on October 1, 2001, and ending on September 30, 2002.

11          **SEC. 3130. TRANSFER OF WEAPONS ACTIVITIES FUNDS.**

12          (a) TRANSFER AUTHORITY FOR WEAPONS ACTIVI-  
13          TIES FUNDS.—The Secretary of Energy shall provide the  
14          manager of each field office of the Department of Energy  
15          with the authority to transfer weapons activities funds  
16          from a program or project under the jurisdiction of the  
17          office to another such program or project.

18          (b) LIMITATIONS.—(1) Not more than three trans-  
19          fers may be made to or from any program or project under  
20          subsection (a) in a fiscal year.

21          (2) The amount transferred to or from a program  
22          or project in any one transfer under subsection (a) may  
23          not exceed \$5,000,000.

24          (3) A transfer may not be carried out by a manager  
25          of a field office under subsection (a) unless the manager

1 determines that the transfer is necessary to address a risk  
2 to health, safety, or the environment or to assure the most  
3 efficient use of weapons activities funds at the field office.

4 (4) Funds transferred pursuant to subsection (a)  
5 may not be used for an item for which Congress has spe-  
6 cifically denied funds or for a new program or project that  
7 has not been authorized by Congress.

8 (c) EXEMPTION FROM REPROGRAMMING REQUIRE-  
9 MENTS.—The requirements of section 3121 shall not  
10 apply to transfers of funds pursuant to subsection (a).

11 (d) NOTIFICATION.—The Secretary, acting through  
12 the Administrator for Nuclear Security, shall notify Con-  
13 gress of any transfer of funds pursuant to subsection (a)  
14 not later than 30 days after such transfer occurs.

15 (e) DEFINITIONS.—In this section:

16 (1) The term “program or project” means, with  
17 respect to a field office of the Department of En-  
18 ergy, any of the following:

19 (A) A program referred to or a project list-  
20 ed in 3101(1).

21 (B) A program or project not described in  
22 subparagraph (A) that is for weapons activities  
23 necessary for national security programs of the  
24 Department, that is being carried out by the of-  
25 fice, and for which weapons activities funds

1           have been authorized and appropriated before  
2           the date of the enactment of this Act.

3           (2) The term “weapons activities funds” means  
4           funds appropriated to the Department of Energy  
5           pursuant to an authorization for carrying out weap-  
6           ons activities necessary for national security pro-  
7           grams.

8           (f) DURATION OF AUTHORITY.—The managers of the  
9           field offices of the Department may exercise the authority  
10          provided under subsection (a) during the period beginning  
11          on October 1, 2001, and ending on September 30, 2002.

12       **Subtitle C—Program Authoriza-**  
13       **tions, Restrictions, and Limita-**  
14       **tions**

15       **SEC. 3131. LIMITATION ON AVAILABILITY OF FUNDS FOR**  
16                       **WEAPONS ACTIVITIES FOR FACILITIES AND**  
17                       **INFRASTRUCTURE.**

18          Not more than 50 percent of the funds authorized  
19          to be appropriated by section 3101(a)(1)(D) for the Na-  
20          tional Nuclear Security Administration for weapons activi-  
21          ties for facilities and infrastructure may be obligated or  
22          expended until the Administrator for Nuclear Security  
23          submits to the congressional defense committees a report  
24          setting forth the following:

1           (1) Criteria for the selection of projects to be  
2 carried out using such funds.

3           (2) Criteria for establishing priorities among  
4 projects so selected.

5           (3) A list of the projects so selected, including  
6 the priority assigned to each such project.

7 **SEC. 3132. LIMITATION ON AVAILABILITY OF FUNDS FOR**  
8 **OTHER DEFENSE ACTIVITIES FOR NATIONAL**  
9 **SECURITY PROGRAMS ADMINISTRATIVE SUP-**  
10 **PORT.**

11       Not more than \$5,000,000 of the funds authorized  
12 to be appropriated by section 3103(a)(8) for other defense  
13 activities for national security programs administrative  
14 support may be obligated or expended until the later of  
15 the following:

16           (1) The date on which the Secretary of Energy  
17 submits to Congress a report setting forth the pur-  
18 poses for which such funds will be obligated and ex-  
19 pended.

20           (2) The date on which the Administrator for  
21 Nuclear Security submits to Congress the future-  
22 years nuclear security program for fiscal year 2002  
23 required by section 3253 of the National Nuclear  
24 Security Administration Act (title XXXII of Public  
25 Law 106–35; 50 U.S.C. 2453).

1 **SEC. 3133. NUCLEAR CITIES INITIATIVE.**

2 (a) LIMITATIONS ON USE OF FUNDS.—No funds au-  
3 thorized to be appropriated for the Nuclear Cities Initia-  
4 tive after fiscal year 2001 may be obligated or expended  
5 with respect to more than three nuclear cities, or more  
6 than two serial production facilities in Russia, until 30  
7 days after the Administrator for Nuclear Security submits  
8 to the appropriate congressional committees an agreement  
9 signed by the Russian Federation on access under the Nu-  
10 clear Cities Initiative to the ten closed nuclear cities and  
11 four serial production facilities of the Nuclear Cities Ini-  
12 tiative.

13 (b) ANNUAL REPORT.—(1) Not later than the first  
14 Monday in February each year, the Administrator shall  
15 submit to the appropriate congressional committees a re-  
16 port on financial and programmatic activities with respect  
17 to the Nuclear Cities Initiative during the preceding fiscal  
18 year.

19 (2) Each report shall include, for the fiscal year cov-  
20 ered by such report, the following:

21 (A) A list of each project that is or was com-  
22 pleted, ongoing, or planned under the Nuclear Cities  
23 Initiative during such fiscal year.

24 (B) For each project listed under subparagraph  
25 (A), information, current as of the end of such fiscal  
26 year, on the following:

- 1 (i) The purpose of such project.
- 2 (ii) The budget for such project.
- 3 (iii) The life-cycle costs of such project.
- 4 (iv) Participants in such project.
- 5 (v) The commercial viability of such
- 6 project.
- 7 (vi) The number of jobs in Russia created
- 8 or to be created by or through such project.
- 9 (vii) Of the total amount of funds spent on
- 10 such project, the percentage of such amount
- 11 spent in the United States and the percentage
- 12 of such amount spent overseas.

13 (C) A certification by the Administrator that

14 each project listed under subparagraph (A) did con-

15 tribute, is contributing, or will contribute, as the

16 case may be, to the downsizing of the nuclear weap-

17 ons complex in Russia, together with a description

18 of the evidence utilized to make such certification.

19 (c) DEFINITIONS.—In this section:

20 (1) APPROPRIATE CONGRESSIONAL COMMIT-

21 TEES.—The term “appropriate congressional com-

22 mittees means” the Committee on Armed Services of

23 the Senate and the Committee on Armed Services of

24 the House of Representatives.

1           (2) NUCLEAR CITIES INITIATIVE.—The term  
2           “Nuclear Cities Initiative” means the initiative arising  
3           pursuant to the March 1998 discussion between  
4           the Vice President of the United States and the  
5           Prime Minister of the Russian Federation and between  
6           the Secretary of Energy of the United States  
7           and the Minister of Atomic Energy of the Russian  
8           Federation.

9           (3) NUCLEAR CITY.—The term “nuclear city”  
10          means any of the nuclear cities within the complex  
11          of the Russia Ministry of Atomic Energy  
12          (MINATOM) as follows:

13                   (A) Sarov (Arzamas–16 and Avangard).

14                   (B) Zarechnyy (Penza–19).

15                   (C) Novoural’sk (Sverdlovsk–44).

16                   (D) Lesnoy (Sverdlovsk–45).

17                   (E) Ozersk (Chelyabinsk–65).

18                   (F) Snezhinsk (Chelyabinsk–70).

19                   (G) Trehgornyy (Zlatoust–36).

20                   (H) Seversk (Tomsk–7).

21                   (I) Zhelenznogorsk (Krasnoyarsk–26).

22                   (I) Zelenogorsk (Krasnoyarsk–45).

1 **SEC. 3134. CONSTRUCTION OF DEPARTMENT OF ENERGY**  
2 **OPERATIONS OFFICE COMPLEX.**

3 (a) **AUTHORITY FOR DESIGN AND CONSTRUCTION.**—  
4 Subject to subsection (b), the Secretary of Energy may  
5 provide for the design and construction of a new oper-  
6 ations office complex for the Department of Energy in ac-  
7 cordance with the feasibility study regarding such oper-  
8 ations office complex conducted under the National De-  
9 fense Authorization Act for Fiscal Year 2000.

10 (b) **LIMITATION.**—The Secretary may not exercise  
11 the authority in subsection (a) until the date on which the  
12 Secretary certifies to Congress that the feasibility study  
13 referred to in subsection (a) is consistent with the plan  
14 submitted under section 3153(a) of the Floyd D. Spence  
15 National Defense Authorization Act for Fiscal Year 2001  
16 (as enacted by Public Law 106–398; 114 Stat. 1654A–  
17 465).

18 (c) **BASIS OF AUTHORITY.**—The design and construc-  
19 tion of the operations office complex authorized by sub-  
20 section (a) shall be carried out through one or more energy  
21 savings performance contracts (ESPC) entered into under  
22 this section and in accordance with the provisions of title  
23 VIII of the National Energy Policy Conservation Act (42  
24 U.S.C. 8287 et seq.).

25 (d) **PAYMENT OF COSTS.**—Amounts for payments of  
26 costs associated with the construction of the operations

1 office complex authorized by subsection (a) shall be de-  
2 rived from energy savings and ancillary operation and  
3 maintenance savings that result from the replacement of  
4 a current Department of Energy operations office complex  
5 (as identified in the feasibility study referred to in sub-  
6 section (a)) with the operations office complex authorized  
7 by subsection (a).

8 **Subtitle D—Matters Relating to**  
9 **Management of National Nu-**  
10 **clear Security Administration**

11 **SEC. 3141. ESTABLISHMENT OF POSITION OF DEPUTY AD-**  
12 **MINISTRATOR FOR NUCLEAR SECURITY.**

13 (a) ESTABLISHMENT OF POSITION.—Subtitle A of  
14 the National Nuclear Security Administration Act (title  
15 XXXII of Public Law 106–65; 50 U.S.C. 2401 et seq.)  
16 is amended—

17 (1) by redesignating section 3213 as section  
18 3219 and transferring such section, as so redesign-  
19 nated, to the end of the subtitle; and

20 (2) by inserting after section 3212 the following  
21 new section 3213:

22 **“SEC. 3213. DEPUTY ADMINISTRATOR FOR NUCLEAR SECU-**  
23 **RITY.**

24 “(a) IN GENERAL.—There is in the Administration  
25 a Deputy Administrator for Nuclear Security, who is ap-

1 pointed by the President, by and with the advice and con-  
2 sent of the Senate.

3 “(b) DUTIES.—(1) The Deputy Administrator shall  
4 be the principal assistant to the Administrator in carrying  
5 out the responsibilities of the Director under this title, and  
6 shall act for, and exercise the powers and duties of, the  
7 Administrator when the Administrator is disabled or there  
8 is no Administrator for Nuclear Security.

9 “(2) Subject to the authority, direction, and control  
10 of the Administrator, the Deputy Administrator shall per-  
11 form such duties, and exercise such powers, relating to  
12 the functions of the Administration as the Administrator  
13 may prescribe.”.

14 (b) PAY LEVEL.—Section 5314 of title 5, United  
15 States Code, is amended in the item relating to the Deputy  
16 Administrators of the National Nuclear Security  
17 Administration—

18 (1) by striking “(3)” and inserting “(4)”; and

19 (2) by striking “(2)” and inserting “(3)”.

1 **SEC. 3142. RESPONSIBILITY FOR NATIONAL SECURITY LAB-**  
2 **ORATORIES AND WEAPONS PRODUCTION FA-**  
3 **CILITIES OF DEPUTY ADMINISTRATOR OF NA-**  
4 **TIONAL NUCLEAR SECURITY ADMINISTRA-**  
5 **TION FOR DEFENSE PROGRAMS.**

6 Section 3214 of the National Nuclear Security Ad-  
7 ministration Act (title XXXII of Public Law 106–65; 113  
8 Stat. 959; 50 U.S.C. 2404) is amended by striking sub-  
9 section (c).

10 **SEC. 3143. CLARIFICATION OF STATUS WITHIN THE DE-**  
11 **PARTMENT OF ENERGY OF ADMINISTRATION**  
12 **AND CONTRACTOR PERSONNEL OF THE NA-**  
13 **TIONAL NUCLEAR SECURITY ADMINISTRA-**  
14 **TION.**

15 Section 3219 of the National Nuclear Security Ad-  
16 ministration Act, as redesignated and transferred by sec-  
17 tion 3141(a)(1) of this Act, is further amended—

18 (1) in subsection (a), by striking “Administra-  
19 tion—” and inserting “Administration, in carrying  
20 out any function of the Administration—”; and

21 (2) in subsection (b), by striking “shall” and  
22 inserting “, in carrying out any function of the Ad-  
23 ministration, shall”.

1 **SEC. 3144. MODIFICATION OF AUTHORITY OF ADMINIS-**  
2 **TRATOR FOR NUCLEAR SECURITY TO ESTAB-**  
3 **LISH SCIENTIFIC, ENGINEERING, AND TECH-**  
4 **NICAL POSITIONS.**

5 (a) INCREASE IN AUTHORIZED NUMBER OF POSI-  
6 TIONS.—Section 3241 of the National Nuclear Security  
7 Administration Act (title XXXII of Public Law 106–65;  
8 113 Stat. 964; 50 U.S.C. 2441) is amended—

9 (1) by inserting “(a) IN GENERAL—” before  
10 “The Administrator”; and

11 (2) in subsection (a), as so designated, by strik-  
12 ing “300” and inserting “500”.

13 (b) DESIGNATION OF EXISTING PROVISIONS ON  
14 TREATMENT OF AUTHORITY.—That section is further  
15 amended—

16 (1) by designating the second sentence as sub-  
17 section (b);

18 (2) aligning the margin of that subsection, as  
19 so designated, so as to indent the text two ems; and

20 (3) in that subsection, as so designated, by  
21 striking “Subject to the limitations in the preceding  
22 sentence,” and inserting “(b) TREATMENT OF AU-  
23 THORITY.—Subject to the limitations in subsection  
24 (a),”.

1           (c) TREATMENT OF POSITIONS.—That section is fur-  
 2 ther amended by adding at the end the following new sub-  
 3 section:

4           “(c) TREATMENT OF POSITIONS.—A position estab-  
 5 lished under subsection (a) may not be considered a Senior  
 6 Executive Service position (as that term is defined in sec-  
 7 tion 3132(a)(2) of title 5, United States Code), and shall  
 8 not be subject to the provisions of subchapter II of chapter  
 9 31 of that title, relating to the Senior Executive Service.”.

## 10                           **Subtitle E—Other Matters**

### 11   **SEC. 3151. IMPROVEMENTS TO ENERGY EMPLOYEES OCCU-** 12                           **PATIONAL ILLNESS COMPENSATION PRO-** 13                           **GRAM.**

14           (a) CERTAIN LEUKEMIA AS SPECIFIED CANCER.—  
 15 Section 3621(17) of the Energy Employees Occupational  
 16 Illness Compensation Program Act of 2000 (title XXXVI  
 17 of the Floyd D. Spence National Defense Authorization  
 18 Act for Fiscal Year 2001 (as enacted by Public Law 106–  
 19 398); 114 Stat. 1654A–502), as amended by section 2403  
 20 of the Supplemental Appropriations Act, 2001 (Public  
 21 Law 107–20), is further amended by adding at the end  
 22 the following new subparagraph:

23                           “(D) Leukemia (other than chronic  
 24                           lymphocytic leukemia), if initial occupation ex-  
 25                           posure occurred before 21 years of age and

1           onset occurred more than two years after initial  
2           occupational exposure.”.

3           (b) ADDITIONAL MEMBERS OF SPECIAL EXPOSURE  
4 COHORT.—Section 3626(b) of that Act (114 Stat. 1654A–  
5 505) is amended in the matter preceding paragraph (1)  
6 by inserting after “Department of Energy facility” the fol-  
7 lowing: “, or at an atomic weapons employer facility,”.

8           (c) ESTABLISHMENT OF CHRONIC SILICOSIS.—Sec-  
9 tion 3627(e)(2)(A) of that Act (114 Stat. 1654A–506) is  
10 amended by striking “category 1/1” and inserting “cat-  
11 egory 1/0”.

12           (d) SURVIVORS.—

13           (1) IN GENERAL.—Subsection (e) of section  
14 3628 of that Act (114 Stat. 1654A–506) is amended  
15 to read as follows:

16           “(e) SURVIVORS.—(1) If a covered employee dies be-  
17 fore accepting payment of compensation under this sec-  
18 tion, whether or not the death is the result of the covered  
19 employee’s occupational illness, the survivors of the cov-  
20 ered employee shall receive payment of compensation  
21 under this section in lieu of the covered employee as fol-  
22 lows:

23           “(A) If at the time of death the covered em-  
24 ployee is survived by a spouse and one or more  
25 children—

1           “(i) the spouse shall receive one-half of the  
2           amount of compensation provided for the cov-  
3           ered employee under this section; and

4           “(ii) each child shall receive an equal share  
5           of the remaining one-half of the amount of the  
6           compensation provided for the covered employee  
7           under this section.

8           “(B) If at the time of death the covered em-  
9           ployee is survived by a spouse or one or more chil-  
10          dren, but not both a spouse and one or more  
11          children—

12           “(i) the spouse shall receive the amount of  
13           compensation provided for the covered employee  
14           under this section; or

15           “(ii) each child shall receive an equal share  
16           of the amount of the compensation provided for  
17           the covered employee under this section.

18           “(C) If at the time of death the covered em-  
19           ployee is not survived by a spouse or any children,  
20           but is survived by one or both parents, one or more  
21           grandparents, one or more grandchildren, or any  
22           combination of such individuals, each such individual  
23           shall receive an equal share of the amount of the  
24           compensation provided for the covered employee  
25           under this section.

1           “(2) For purposes of this subsection, the term ‘child’,  
2 in the case of a covered employee, means any child of the  
3 covered employee, including a natural child, adopted child,  
4 or step-child who lived with the covered employee in a par-  
5 ent-child relationship.”.

6           (2) URANIUM EMPLOYEES.—Subsection (e) of  
7 section 3630 of that Act (114 Stat. 1654A–507) is  
8 amended to read as follows:

9           “(e) SURVIVORS.—(1) If a covered uranium employee  
10 dies before accepting payment of compensation under this  
11 section, whether or not the death is the result of the cov-  
12 ered uranium employee’s occupational illness, the sur-  
13 vivors of the covered uranium employee shall receive pay-  
14 ment of compensation under this section in lieu of the cov-  
15 ered uranium employee as follows:

16           “(A) If at the time of death the covered ura-  
17 nium employee is survived by a spouse and one or  
18 more children—

19           “(i) the spouse shall receive one-half of the  
20 amount of compensation provided for the cov-  
21 ered uranium employee under this section; and

22           “(ii) each child shall receive an equal share  
23 of the remaining one-half of the amount of the  
24 compensation provided for the covered uranium  
25 employee under this section.

1           “(B) If at the time of death the covered ura-  
2           nium employee is survived by a spouse or one or  
3           more children, but not both a spouse and one or  
4           more children—

5                   “(i) the spouse shall receive the amount of  
6                   compensation provided for the covered uranium  
7                   employee under this section; or

8                   “(ii) each child shall receive an equal share  
9                   of the amount of the compensation provided for  
10                  the covered uranium employee under this sec-  
11                  tion.

12           “(C) If at the time of death the covered ura-  
13           nium employee is not survived by a spouse or any  
14           children, but is survived by one or both parents, one  
15           or more grandparents, one or more grandchildren, or  
16           any combination of such individuals, each such indi-  
17           vidual shall receive an equal share of the amount of  
18           the compensation provided for the covered uranium  
19           employee under this section.

20           “(2) For purposes of this subsection, the term ‘child’,  
21           in the case of a covered uranium employee, means any  
22           child of the covered employee, including a natural child,  
23           adopted child, or step-child who lived with the covered em-  
24           ployee in a parent-child relationship.”.

1           (3) REPEAL OF SUPERSEDED PROVISION.—  
2           Paragraph (18) of section 3621 of that Act (114  
3           Stat. 1654A–502) is repealed.

4           (4) EFFECTIVE DATE.—The amendments made  
5           by this subsection shall take effect on July 1, 2001.

6           (e) DISMISSAL OF PENDING SUITS.—Section 3645(d)  
7           of that Act (114 Stat. 1654A–510) is amended by striking  
8           “the plaintiff shall not” and all that follows through the  
9           end and inserting “and was not dismissed as of the date  
10          of the enactment of the National Defense Authorization  
11          Act for Fiscal Year 2002, the plaintiff shall be eligible for  
12          compensation or benefits under subtitle B only if the  
13          plaintiff dismisses such case not later than December 31,  
14          2003.”.

15          (f) ATTORNEY FEES.—Section 3648 of that Act (114  
16          Stat. 1654A–511) is amended—

17                 (1) in subsection (b)—

18                         (A) in paragraph (1), by striking “and” at  
19                         the end;

20                         (B) in paragraph (2), by striking the pe-  
21                         riod at the end and inserting “; and”; and

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

24                                 “(3) 10 percent of any compensation paid  
25                                 under the claim for assisting with or representing a

1 claimant seeking such compensation by the provision  
2 of services other than, or in addition to, services in  
3 connection with the filing of an initial claim covered  
4 by paragraph (1).”;

5 (2) by redesignating subsection (c) and sub-  
6 section (d); and

7 (3) by inserting after subsection (b) the fol-  
8 lowing new subsection (c):

9 “(c) INAPPLICABILITY TO SERVICES PROVIDED  
10 AFTER AWARD OF COMPENSATION.—This section shall  
11 not apply with respect to any representation or assistance  
12 provided to an individual awarded compensation under  
13 subtitle B after the award of compensation.”.

14 (g) STUDY OF RESIDUAL CONTAMINATION OF FA-  
15 CILITIES.—(1) The National Institute for Occupational  
16 Safety and Health shall conduct a study on the following:

17 (A) Whether or not significant contamination  
18 remained in any atomic weapons employer facility or  
19 facility of a beryllium vendor after such facility dis-  
20 continued activities relating to the production of nu-  
21 clear weapons.

22 (B) If so, whether or not such contamination  
23 could have caused or substantially contributed to the  
24 cancer of a covered employee with cancer or a cov-  
25 ered beryllium illness, as the case may be.

1           (2) Not later than 180 days after the date of the en-  
2 actment of this Act, the National Institute for Occupa-  
3 tional Safety and Health shall submit to the congressional  
4 defense committees a report on the study under paragraph  
5 (1).

6           (3) Amounts for the study under paragraph (1) shall  
7 be derived from amounts authorized to be appropriated  
8 by section 3614(a) of the Energy Employees Occupational  
9 Illness Compensation Program Act of 2000 (114 Stat.  
10 1654A–498).

11          (4) In this subsection:

12           (A) The terms “atomic weapons employer facil-  
13 ity”, “beryllium vendor”, “covered employee with  
14 cancer”, and “covered beryllium illness” have the  
15 meanings given those terms in section 3621 of the  
16 Energy Employees Occupational Illness Compensa-  
17 tion Program Act of 2000 (114 Stat. 1654A–498).

18           (B) The term “contamination” means the pres-  
19 ence of any material exposure to which could cause  
20 or substantially contribute to the cancer of a covered  
21 employee with cancer or a covered beryllium illness,  
22 as the case may be.

1 **SEC. 3152. DEPARTMENT OF ENERGY COUNTERINTEL-**  
2 **LIGENCE POLYGRAPH PROGRAM.**

3 (a) INTERIM COUNTERINTELLIGENCE POLYGRAPH  
4 PROGRAM.—(1) Not later than 120 days after the date  
5 of enactment of this Act, the Secretary of Energy shall  
6 submit to the congressional defense committees a plan for  
7 conducting, as part of the Department of Energy per-  
8 sonnel assurance programs, an interim counterintelligence  
9 polygraph program consisting of polygraph examinations  
10 of Department of Energy employees, or contractor em-  
11 ployees, at Department facilities. The purpose of examina-  
12 tions under the interim program is to minimize the poten-  
13 tial for release or disclosure of classified data, materials,  
14 or information until the program required under sub-  
15 section (b) is in effect.

16 (2) The Secretary may exclude from examinations  
17 under the interim program any position or class of posi-  
18 tions (as determined by the Secretary) for which the indi-  
19 vidual or individuals in such position or class of  
20 positions—

21 (A) either—

22 (i) operate in a controlled environment  
23 that does not afford an opportunity, through  
24 action solely by the individual or individuals, to  
25 inflict damage on or impose risks to national  
26 security; and

1           (ii) have duties, functions, or responsibil-  
2           ities which are compartmentalized or supervised  
3           such that the individual or individuals do not  
4           impose risks to national security; or

5           (B) do not have routine access to top secret Re-  
6           stricted Data.

7           (3) The plan shall ensure that individuals who under-  
8           go examinations under the interim program receive protec-  
9           tions as provided under part 40 of title 49, Code of Fed-  
10          eral Regulations.

11          (4) To ensure that administration of the interim pro-  
12          gram does not disrupt safe operations of a facility, the  
13          plan shall insure notification of the management of the  
14          facility at least 14 days in advance of any examination  
15          scheduled under the interim program for any employees  
16          of the facility.

17          (5) The plan shall include procedures under the in-  
18          terim program for—

19               (A) identifying and addressing so-called “false  
20               positive” results of polygraph examinations; and

21               (B) ensuring that adverse personnel actions not  
22               be taken against an individual solely by reason of  
23               the individual’s physiological reaction to a question  
24               in a polygraph examination, unless reasonable ef-  
25               forts are first made to independently determine

1 through alternative means the veracity of the indi-  
2 vidual's response to the question.

3 (b) NEW COUNTERINTELLIGENCE POLYGRAPH PRO-  
4 GRAM.—(1) Not later than six months after obtaining the  
5 results of the Polygraph Review, the Secretary shall pre-  
6 scribe a proposed rule containing requirements for a coun-  
7 terintelligence polygraph program for the Department of  
8 Energy. The purpose of the program is to minimize the  
9 potential for release or disclosure of classified data, mate-  
10 rials, or information.

11 (2) The Secretary shall prescribe the proposed rule  
12 under this subsection in accordance with the provisions of  
13 subchapter II of chapter 5 of title 5, United States Code  
14 (commonly referred to as the Administrative Procedures  
15 Act).

16 (3) In prescribing the proposed rule under this sub-  
17 section, the Secretary may include in requirements under  
18 the proposed rule any requirement or exclusion provided  
19 for in paragraphs (2) through (5) of subsection (a).

20 (4) In prescribing the proposed rule under this sub-  
21 section, the Secretary shall take into account the results  
22 of the Polygraph Review.

23 (c) REPEAL OF EXISTING POLYGRAPH PROGRAM.—  
24 Section 3154 of the Department of Energy Facilities Safe-  
25 guards, Security, and Counterintelligence Enhancement

1 Act of 1999 (subtitle D of title XXXI of Public Law 106–  
2 65; 42 U.S.C. 7383h) is repealed.

3 (d) REPORT ON FURTHER ENHANCEMENT OF PER-  
4 SONNEL SECURITY PROGRAM.—(1) Not later than De-  
5 cember 31, 2002, the Administrator for Nuclear Security  
6 shall submit to Congress a report setting forth the rec-  
7 ommendations of the Administrator for any legislative ac-  
8 tion that the Administrator considers appropriate in order  
9 to enhance the personnel security program of the Depart-  
10 ment of Energy.

11 (2) Any recommendations under paragraph (1) re-  
12 garding the use of polygraphs shall take into account the  
13 results of the Polygraph Review.

14 (e) DEFINITIONS.—In this section:

15 (1) The term “Polygraph Review” means the  
16 review of the Committee to Review the Scientific  
17 Evidence on the Polygraph of the National Academy  
18 of Sciences.

19 (2) The term “Restricted Data” has the mean-  
20 ing given that term in section 11 y. of the Atomic  
21 Energy Act of 1954 (42 U.S.C. 2014(y)).

1 **SEC. 3153. ONE-YEAR EXTENSION OF AUTHORITY OF DE-**  
2 **PARTMENT OF ENERGY TO PAY VOLUNTARY**  
3 **SEPARATION INCENTIVE PAYMENTS.**

4 Section 3161(a) of the National Defense Authoriza-  
5 tion Act for Fiscal Year 2000 (Public Law 106–65; 113  
6 Stat. 942; 5 U.S.C. 5597 note) is amended by striking  
7 “January 1, 2003” and inserting “January 1, 2004”.

8 **SEC. 3154. ADDITIONAL OBJECTIVE FOR DEPARTMENT OF**  
9 **ENERGY DEFENSE NUCLEAR FACILITY WORK**  
10 **FORCE RESTRUCTURING PLAN.**

11 Section 3161(c) of the National Defense Authoriza-  
12 tion Act for Fiscal Year 1993 (Public Law 102–484; 42  
13 U.S.C. 7274h(e)) is amended by adding at the end the  
14 following new paragraph:

15 “(7) The Department of Energy should provide  
16 assistance to promote the diversification of the  
17 economies of communities in the vicinity of any De-  
18 partment of Energy defense nuclear facility that  
19 may, as determined by the Secretary, be affected by  
20 a future restructuring of its work force under the  
21 plan.”.

1 **SEC. 3155. MODIFICATION OF DATE OF REPORT OF PANEL**  
2 **TO ASSESS THE RELIABILITY, SAFETY, AND**  
3 **SECURITY OF THE UNITED STATES NUCLEAR**  
4 **STOCKPILE.**

5 Section 3159(d) of the Strom Thurmond National  
6 Defense Authorization Act for Fiscal Year 1999 (Public  
7 Law 105–261; 42 U.S.C. 2121 note) is amended by strik-  
8 ing “of each year, beginning with 1999,” and inserting  
9 “of 1999 and 2000, and not later than February 1,  
10 2002,”.

11 **SEC. 3156. REPORTS ON ACHIEVEMENT OF MILESTONES**  
12 **FOR NATIONAL IGNITION FACILITY.**

13 (a) NOTIFICATION OF ACHIEVEMENT.—The Admin-  
14 istrator for Nuclear Security shall notify the congressional  
15 defense committees when the National Ignition Facility  
16 (NIF), Lawrence Livermore National Laboratory, Cali-  
17 fornia, achieves each Level one milestone and Level two  
18 milestone for the National Ignition Facility.

19 (b) REPORT ON FAILURE OF TIMELY ACHIEVE-  
20 MENT.—Not later than 10 days after the date on which  
21 the National Ignition Facility fails to achieve a Level one  
22 milestone or Level two milestone for the National Ignition  
23 Facility in a timely manner, the Administrator shall sub-  
24 mit to the congressional defense committees a report on  
25 the failure. The report on a failure shall include—

1           (1) a statement of the failure of the National  
2           Ignition Facility to achieve the milestone concerned  
3           in a timely manner;

4           (2) an explanation for the failure; and

5           (3) either—

6                 (A) an estimate when the milestone will be  
7                 achieved; or

8                 (B) if the milestone will not be achieved—

9                         (i) a statement that the milestone will  
10                        not be achieved;

11                       (ii) an explanation why the milestone  
12                        will not be achieved; and

13                       (iii) the implications for the overall  
14                        scope, schedule, and budget of the Na-  
15                        tional Ignition Facility project of not  
16                        achieving the milestone.

17           (c) MILESTONES.—For purposes of this section, the  
18           Level one milestones and Level two milestones for the Na-  
19           tional Ignition Facility are as established in the August  
20           2000 revised National Ignition Facility baseline document.

1 **SEC. 3157. SUPPORT FOR PUBLIC EDUCATION IN THE VI-**  
2 **CINITY OF LOS ALAMOS NATIONAL LABORA-**  
3 **TORY, NEW MEXICO.**

4 (a) SUPPORT IN FISCAL YEAR 2002.—From  
5 amounts authorized to be appropriated or otherwise made  
6 available to the Secretary of Energy by this title—

7 (1) \$6,900,000 shall be available for payment  
8 by the Secretary for fiscal year 2002 to the Los Ala-  
9 mos National Laboratory Foundation, a not-for-  
10 profit educational foundation chartered in accord-  
11 ance with section 3167(a) of the National Defense  
12 Authorization Act for Fiscal Year 1998 (Public Law  
13 105–85; 111 Stat. 2052); and

14 (2) \$8,000,000 shall be available for extension  
15 of the contract between the Department of Energy  
16 and the Los Alamos Public Schools through fiscal  
17 year 2002.

18 (b) SUPPORT THROUGH FISCAL YEAR 2004.—Sub-  
19 ject to the availability of appropriations for such purposes,  
20 the Secretary may—

21 (1) make a payment for each of fiscal years  
22 2003 and 2004 similar in amount to the payment  
23 referred to in subsection (a)(1) for fiscal year 2002;  
24 and

25 (2) provide for a contract extension through fis-  
26 cal year 2004 similar to the contract extension re-

1       ferred to in subsection (a)(2), including the use of  
2       an amount for that purpose in each of fiscal years  
3       2003 and 2004 similar to the amount available for  
4       that purpose in fiscal year 2002 under that sub-  
5       section.

6       (c) USE OF FUNDS.—The Los Alamos National Lab-  
7       oratory Foundation shall—

8               (1) use funds provided the Foundation under  
9       this section as a contribution to the endowment fund  
10       of the Foundation; and

11              (2) use the income generated from investments  
12       in the endowment fund that are attributable to pay-  
13       ments made under this section to fund programs to  
14       support the educational needs of children in public  
15       schools in the vicinity of Los Alamos National Lab-  
16       oratory.

17       (d) REPORT.—Not later than March 1, 2003, the Ad-  
18       ministrators for Nuclear Security shall submit to the con-  
19       gressional defense committees a report setting for the fol-  
20       lowing:

21              (1) An evaluation of the requirements for con-  
22       tinued payments after fiscal year 2004 into the en-  
23       dowment fund of the Los Alamos Laboratory Foun-  
24       dation to enable the Foundation to meet the goals  
25       of the Department of Energy to support the recruit-

1 ment and retention of staff at the Los Alamos Na-  
2 tional Laboratory.

3 (2) Recommendations regarding the advisability  
4 of any further direct support after fiscal year 2004  
5 for the Los Alamos Public Schools.

6 **SEC. 3158. IMPROVEMENTS TO CORRAL HOLLOW ROAD,**  
7 **LIVERMORE, CALIFORNIA.**

8 Of the amounts authorized to be appropriated by sec-  
9 tion 3101, not more than \$325,000 shall be available to  
10 the Secretary of Energy for safety improvements to Corral  
11 Hollow Road adjacent to Site 300 of Lawrence Livermore  
12 National Laboratory, California.

13 **Subtitle F—Rocky Flats National**  
14 **Wildlife Refuge**

15 **SEC. 3171. SHORT TITLE.**

16 This subtitle may be cited as the “Rocky Flats Na-  
17 tional Wildlife Refuge Act of 2001”.

18 **SEC. 3172. FINDINGS AND PURPOSE.**

19 (a) FINDINGS.—Congress finds the following:

20 (1) The Federal Government, through the  
21 Atomic Energy Commission, acquired the Rocky  
22 Flats site in 1951 and began operations there in  
23 1952. The site remains a Department of Energy fa-  
24 cility. Since 1992, the mission of the Rocky Flats  
25 site has changed from the production of nuclear

1 weapons components to cleanup and closure in a  
2 manner that is safe, environmentally and socially re-  
3 sponsible, physically secure, and cost-effective.

4 (2) The site has generally remained undisturbed  
5 since its acquisition by the Federal Government.

6 (3) The State of Colorado is experiencing in-  
7 creasing growth and development, especially in the  
8 metropolitan Denver Front Range area in the vicin-  
9 ity of the Rocky Flats site. That growth and devel-  
10 opment reduces the amount of open space and there-  
11 by diminishes for many metropolitan Denver com-  
12 munities the vistas of the striking Front Range  
13 mountain backdrop.

14 (4) Some areas of the site contain contamina-  
15 tion and will require further remediation. The na-  
16 tional interest requires that the ongoing cleanup and  
17 closure of the entire site be completed safely, effec-  
18 tively, and without unnecessary delay and that the  
19 site thereafter be retained by the United States and  
20 managed so as to preserve the value of the site for  
21 open space and wildlife habitat.

22 (5) The Rocky Flats site provides habitat for  
23 many wildlife species, including a number of threat-  
24 ened and endangered species, and is marked by the  
25 presence of rare xeric tallgrass prairie plant commu-

1 nities. Establishing the site as a unit of the National  
2 Wildlife Refuge System will promote the preserva-  
3 tion and enhancement of those resources for present  
4 and future generations.

5 (b) PURPOSE.—The purpose of this subtitle is to pro-  
6 vide for the establishment of the Rocky Flats site as a  
7 national wildlife refuge while creating a process for public  
8 input on refuge management and ensuring that the site  
9 is thoroughly and completely cleaned up.

10 **SEC. 3173. DEFINITIONS.**

11 In this subtitle:

12 (1) CLEANUP AND CLOSURE.—The term  
13 “cleanup and closure” means the remedial actions  
14 and decommissioning activities being carried out at  
15 Rocky Flats by the Department of Energy under the  
16 1996 Rocky Flats Cleanup Agreement, the closure  
17 plans and baselines, and any other relevant docu-  
18 ments or requirements.

19 (2) COALITION.—The term “Coalition” means  
20 the Rocky Flats Coalition of Local Governments es-  
21 tablished by the Intergovernmental Agreement,  
22 dated February 16, 1999, among—

23 (A) the city of Arvada, Colorado;

24 (B) the city of Boulder, Colorado;

25 (C) the city of Broomfield, Colorado;

- 1 (D) the city of Westminster, Colorado;  
2 (E) the town of Superior, Colorado;  
3 (F) Boulder County, Colorado; and  
4 (G) Jefferson County, Colorado.

5 (3) HAZARDOUS SUBSTANCE.—The term “haz-  
6 arduous substance” has the meaning given the term  
7 in section 101 of the Comprehensive Environmental  
8 Response, Compensation, and Liability Act of 1980  
9 (42 U.S.C. 9601).

10 (4) POLLUTANT OR CONTAMINANT.—The term  
11 “pollutant or contaminant” has the meaning given  
12 the term in section 101 of the Comprehensive Envi-  
13 ronmental Response, Compensation, and Liability  
14 Act of 1980 (42 U.S.C. 9601).

15 (5) REFUGE.—The term “refuge” means the  
16 Rocky Flats National Wildlife Refuge established  
17 under section 3177.

18 (6) RESPONSE ACTION.—The term “response  
19 action” has the meaning given the term “response”  
20 in section 101 of the Comprehensive Environmental  
21 Response, Compensation, and Liability Act of 1980  
22 (42 U.S.C. 9601) or any similar requirement under  
23 State law.

1           (7) RFCA.—The term “RFCA” means the  
2 Rocky Flats Cleanup Agreement, an intergovern-  
3 mental agreement, dated July 19, 1996, among—

4           (A) the Department of Energy;

5           (B) the Environmental Protection Agency;

6           and

7           (C) the Department of Public Health and  
8 Environment of the State of Colorado.

9           (8) ROCKY FLATS.—The term “Rocky Flats”  
10 means the Rocky Flats Environmental Technology  
11 Site, Colorado, a defense nuclear facility, as depicted  
12 on the map entitled “Rocky Flats Environmental  
13 Technology Site”, dated July 15, 1998.

14           (9) ROCKY FLATS TRUSTEES.—The term  
15 “Rocky Flats Trustees” means the Federal and  
16 State of Colorado entities that have been identified  
17 as trustees for Rocky Flats under section 107(f)(2)  
18 of the Comprehensive Environmental Response,  
19 Compensation, and Liability Act of 1980 (42 U.S.C.  
20 9607(f)(2)).

21           (10) SECRETARY.—The term “Secretary”  
22 means the Secretary of Energy.

23 **SEC. 3174. FUTURE OWNERSHIP AND MANAGEMENT.**

24           (a) FEDERAL OWNERSHIP.—Unless Congress pro-  
25 vides otherwise in an Act enacted after the date of enact-

1 ment of this Act, all right, title, and interest of the United  
2 States, held on or acquired after the date of enactment  
3 of this Act, to land within the boundaries of Rocky Flats  
4 shall be retained by the United States.

5 (b) LINDSAY RANCH.—The structures that comprise  
6 the former Lindsay Ranch homestead site in the Rock  
7 Creek Reserve area of the buffer zone, as depicted on the  
8 map referred to in section 3173(8), shall be permanently  
9 preserved and maintained in accordance with the National  
10 Historic Preservation Act (16 U.S.C. 470 et seq.).

11 (c) PROHIBITION ON ANNEXATION.—The Secretary  
12 of the Interior shall not allow the annexation of land with-  
13 in the refuge by any unit of local government.

14 (d) PROHIBITION ON THROUGH ROADS.—Except as  
15 provided in subsection (e), no public road shall be con-  
16 structed through Rocky Flats.

17 (e) TRANSPORTATION RIGHT-OF-WAY.—

18 (1) IN GENERAL.—

19 (A) AVAILABILITY OF LAND.—On submis-  
20 sion of an application meeting each of the con-  
21 ditions specified in paragraph (2), the Secretary  
22 and the Secretary of the Interior shall make  
23 available land along the eastern boundary of  
24 Rocky Flats for the sole purpose of transpor-  
25 tation improvements along Indiana Street.

1           (B) BOUNDARIES.—Land made available  
2           under this paragraph may not extend more  
3           than 300 feet from the west edge of the Indiana  
4           Street right-of-way, as that right-of-way exists  
5           as of the date of enactment of this Act.

6           (C) EASEMENT OR SALE.—Land may be  
7           made available under this paragraph by ease-  
8           ment or sale to one or more appropriate enti-  
9           ties.

10          (D) COMPLIANCE WITH APPLICABLE  
11          LAW.—Any action under this paragraph shall  
12          be taken in compliance with applicable law.

13          (2) CONDITIONS.—An application for land  
14          under this subsection may be submitted by any  
15          county, city, or other political subdivision of the  
16          State of Colorado and shall include documentation  
17          demonstrating that—

18                (A) the transportation project is con-  
19                structed so as to minimize adverse effects on  
20                the management of Rocky Flats as a wildlife  
21                refuge; and

22                (B) the transportation project is included  
23                in the Regional Transportation Plan of the  
24                Metropolitan Planning Organization designated

1           for the Denver metropolitan area under section  
2           5303 of title 49, United States Code.

3 **SEC. 3175. TRANSFER OF MANAGEMENT RESPONSIBILITIES**  
4                                   **AND JURISDICTION OVER ROCKY FLATS.**

5           (a) IN GENERAL.—

6                           (1) MEMORANDUM OF UNDERSTANDING.—

7                                   (A) IN GENERAL.—Not later than one year  
8           after the date of enactment of this Act, the Sec-  
9           retary and the Secretary of the Interior shall  
10          publish in the Federal Register a draft memo-  
11          randum of understanding under which the Sec-  
12          retary shall transfer to the Secretary of the In-  
13          terior administrative jurisdiction over Rocky  
14          Flats.

15                           (B) REQUIRED ELEMENTS.—

16                                   (i) IN GENERAL.—Subject to clause  
17                                   (ii), the memorandum of understanding  
18                                   shall—

19   (I) provide for the timing of the  
20   transfer;

21   (II) provide for the division of re-  
22   sponsibilities between the Secretary  
23   and the Secretary of the Interior for  
24   the period ending on the date of the  
25   transfer; and

1 (III) provide an appropriate allo-  
2 cation of costs and personnel to the  
3 Secretary of the Interior.

4 (ii) NO REDUCTION IN FUNDS.—The  
5 memorandum of understanding shall not  
6 result in any reduction in funds available  
7 to the Secretary for cleanup and closure of  
8 Rocky Flats.

9 (C) DEADLINE.—Not later than 18  
10 months after the date of enactment of this Act,  
11 the Secretary and Secretary of the Interior  
12 shall finalize and implement the memorandum  
13 of understanding.

14 (2) EXCLUSIONS.—The transfer under para-  
15 graph (1) shall not include the transfer of any prop-  
16 erty or facility over which the Secretary retains ju-  
17 risdiction, authority, and control under subsection  
18 (b)(1).

19 (3) CONDITION.—The transfer under paragraph  
20 (1) shall occur—

21 (A) not earlier than the date on which the  
22 Regional Administrator for Region VIII of the  
23 Environmental Protection Agency signs the  
24 Final On-site Record of Decision for Rocky  
25 Flats; but

1 (B) not later than 10 business days after  
2 that date.

3 (4) COST; IMPROVEMENTS.—The transfer—

4 (A) shall be completed without cost to the  
5 Secretary of the Interior; and

6 (B) may include such buildings or other  
7 improvements as the Secretary of the Interior  
8 may request in writing for refuge management  
9 purposes.

10 (b) PROPERTY AND FACILITIES EXCLUDED FROM  
11 TRANSFERS.—

12 (1) IN GENERAL.—The Secretary shall retain  
13 jurisdiction, authority, and control over all real prop-  
14 erty and facilities at Rocky Flats that are to be used  
15 for—

16 (A) any necessary and appropriate long-  
17 term operation and maintenance facility to  
18 intercept, treat, or control a radionuclide or any  
19 other hazardous substance, pollutant, or con-  
20 taminant; and

21 (B) any other purpose relating to a re-  
22 sponse action or any other action that is re-  
23 quired to be carried out at Rocky Flats.

24 (2) CONSULTATION.—

1 (A) IDENTIFICATION OF PROPERTY.—The  
2 Secretary shall consult with the Secretary of  
3 the Interior, the Administrator of the Environ-  
4 mental Protection Agency, and the State of Col-  
5 orado on the identification of all property to be  
6 retained under this subsection to ensure the  
7 continuing effectiveness of response actions.

8 (B) MANAGEMENT OF PROPERTY.—

9 (i) IN GENERAL.—The Secretary shall  
10 consult with the Secretary of the Interior  
11 on the management of the retained prop-  
12 erty to minimize any conflict between the  
13 management of property transferred to the  
14 Secretary of the Interior and property re-  
15 tained by the Secretary for response ac-  
16 tions.

17 (ii) CONFLICT.—In the case of any  
18 such conflict, implementation and mainte-  
19 nance of the response action shall take pri-  
20 ority.

21 (3) ACCESS.—As a condition of the transfer  
22 under subsection (a), the Secretary shall be provided  
23 such easements and access as are reasonably re-  
24 quired to carry out any obligation or address any li-  
25 ability.

1 (c) ADMINISTRATION.—

2 (1) IN GENERAL.—On completion of the trans-  
3 fer under subsection (a), the Secretary of the Inte-  
4 rior shall administer Rocky Flats in accordance with  
5 this Act subject to—

6 (A) any response action or institutional  
7 control at Rocky Flats carried out by or under  
8 the authority of the Secretary under the Com-  
9 prehensive Environmental Response, Compensa-  
10 tion, and Liability Act of 1980 (42 U.S.C. 9601  
11 et seq.); and

12 (B) any other action required under any  
13 other Federal or State law to be carried out by  
14 or under the authority of the Secretary.

15 (2) CONFLICT.—In the case of any conflict be-  
16 tween the management of Rocky Flats by the Sec-  
17 retary of the Interior and the conduct of any re-  
18 sponse action or other action described in subpara-  
19 graph (A) or (B) of paragraph (1), the response ac-  
20 tion or other action shall take priority.

21 (3) CONTINUING ACTIONS.—Except as provided  
22 in paragraph (1), nothing in this subsection affects  
23 any response action or other action initiated at  
24 Rocky Flats on or before the date of the transfer  
25 under subsection (a).

1           (4) LIABILITY.—The Secretary shall retain any  
2 obligation or other liability for land transferred  
3 under subsection (a) under—

4                   (A) the Comprehensive Environmental Re-  
5 sponse, Compensation, and Liability Act of  
6 1980 (42 U.S.C. 9601 et seq.); or

7                   (B) any other applicable law.

8 **SEC. 3176. CONTINUATION OF ENVIRONMENTAL CLEANUP**  
9 **AND CLOSURE.**

10 (a) ONGOING CLEANUP AND CLOSURE.—

11           (1) IN GENERAL.—The Secretary shall carry  
12 out to completion cleanup and closure at Rocky  
13 Flats.

14           (2) NO RESTRICTION ON USE OF NEW TECH-  
15 NOLOGIES.—Nothing in this subtitle, and no action  
16 taken under this subtitle, restricts the Secretary  
17 from using at Rocky Flats any new technology that  
18 may become available for remediation of contamina-  
19 tion.

20 (b) RULES OF CONSTRUCTION.—

21           (1) NO RELIEF FROM OBLIGATIONS UNDER  
22 OTHER LAW.—

23                   (A) IN GENERAL.—Nothing in this sub-  
24 title, and no action taken under this subtitle,  
25 relieves the Secretary, the Administrator of the

1 Environmental Protection Agency, or any other  
2 person from any obligation or other liability  
3 with respect to Rocky Flats under the RFCA or  
4 any applicable Federal or State law.

5 (B) NO EFFECT ON RFCA.—Nothing in  
6 this subtitle impairs or alters any provision of  
7 the RFCA.

8 (2) REQUIRED CLEANUP LEVELS.—

9 (A) IN GENERAL.—Except as provided in  
10 subparagraph (B), nothing in this subtitle af-  
11 fects the level of cleanup and closure at Rocky  
12 Flats required under the RFCA or any Federal  
13 or State law.

14 (B) NO EFFECT FROM ESTABLISHMENT AS  
15 NATIONAL WILDLIFE REFUGE.—

16 (i) IN GENERAL.—The requirements  
17 of this subtitle for establishment and man-  
18 agement of Rocky Flats as a national wild-  
19 life refuge shall not affect the level of  
20 cleanup and closure.

21 (ii) CLEANUP LEVELS.—The Sec-  
22 retary is required to conduct cleanup and  
23 closure of Rocky Flats to the levels here-  
24 after established for soil, water, and other  
25 media, following a thorough review, by the

1 parties to the RFCA and the public (in-  
2 cluding the United States Fish and Wild-  
3 life Service and other interested govern-  
4 ment agencies), of the appropriateness of  
5 the interim levels in the RFCA.

6 (3) NO EFFECT ON OBLIGATIONS FOR MEAS-  
7 URES TO CONTROL CONTAMINATION.—Nothing in  
8 this subtitle, and no action taken under this subtitle,  
9 affects any long-term obligation of the United States  
10 relating to funding, construction, monitoring, or op-  
11 eration and maintenance of—

12 (A) any necessary intercept or treatment  
13 facility; or

14 (B) any other measure to control contami-  
15 nation.

16 (c) PAYMENT OF RESPONSE ACTION COSTS.—Noth-  
17 ing in this subtitle affects the obligation of a Federal de-  
18 partment or agency that had or has operations at Rocky  
19 Flats resulting in the release or threatened release of a  
20 hazardous substance or pollutant or contaminant to pay  
21 the costs of response actions carried out to abate the re-  
22 lease of, or clean up, the hazardous substance or pollutant  
23 or contaminant.

24 (d) CONSULTATION.—In carrying out a response ac-  
25 tion at Rocky Flats, the Secretary shall consult with the

1 Secretary of the Interior to ensure that the response ac-  
2 tion is carried out in a manner that—

3 (1) does not impair the attainment of the goals  
4 of the response action; but

5 (2) minimizes, to the maximum extent prac-  
6 ticable, adverse effects of the response action on the  
7 refuge.

8 **SEC. 3177. ROCKY FLATS NATIONAL WILDLIFE REFUGE.**

9 (a) ESTABLISHMENT.—Not later than 30 days after  
10 the transfer of jurisdiction under section 3175(a)(3), the  
11 Secretary of the Interior shall establish at Rocky Flats  
12 a national wildlife refuge to be known as the “Rocky Flats  
13 National Wildlife Refuge”.

14 (b) COMPOSITION.—The refuge shall consist of the  
15 real property subject to the transfer of jurisdiction under  
16 section 3175(a)(1).

17 (c) NOTICE.—The Secretary of the Interior shall pub-  
18 lish in the Federal Register a notice of the establishment  
19 of the refuge.

20 (d) ADMINISTRATION AND PURPOSES.—

21 (1) IN GENERAL.—The Secretary of the Inte-  
22 rior shall manage the refuge in accordance with ap-  
23 plicable law, including this Act, the National Wildlife  
24 Refuge System Administration Act of 1966 (16

1 U.S.C. 668dd et seq.), and the purposes specified in  
2 that Act.

3 (2) SPECIFIC MANAGEMENT PURPOSES.—To  
4 the extent consistent with applicable law, the refuge  
5 shall be managed for the purposes of—

6 (A) restoring and preserving native eco-  
7 systems;

8 (B) providing habitat for, and population  
9 management of, native plants and migratory  
10 and resident wildlife;

11 (C) conserving threatened and endangered  
12 species (including species that are candidates  
13 for listing under the Endangered Species Act of  
14 1973 (16 U.S.C. 1531 et seq.));

15 (D) providing opportunities for compatible,  
16 wildlife-dependent environmental scientific re-  
17 search; and

18 (E) providing the public with opportunities  
19 for compatible outdoor recreational and edu-  
20 cational activities.

21 **SEC. 3178. PUBLIC INVOLVEMENT.**

22 (a) ESTABLISHMENT OF PROCESS.—Not later than  
23 90 days after the date of enactment of this Act, in devel-  
24 oping plans for the management of fish and wildlife and  
25 public use of the refuge, the Secretary of the Interior, in

1 consultation with the Secretary, the members of the Coali-  
2 tion, the Governor of the State of Colorado, and the Rocky  
3 Flats Trustees, shall establish a process for involvement  
4 of the public and local communities in accomplishing the  
5 purposes and objectives of this section.

6 (b) OTHER PARTICIPANTS.—In addition to the enti-  
7 ties specified in subsection (a), the public involvement  
8 process shall include the opportunity for direct involve-  
9 ment of entities not members of the Coalition as of the  
10 date of enactment of this Act, including the Rocky Flats  
11 Citizens' Advisory Board and the cities of Thornton,  
12 Northglenn, Golden, Louisville, and Lafayette, Colorado.

13 (c) DISSOLUTION OF COALITION.—If the Coalition  
14 dissolves, or if any Coalition member elects to leave the  
15 Coalition during the public involvement process under this  
16 section—

17 (1) the public involvement process under this  
18 section shall continue; and

19 (2) an opportunity shall be provided to each en-  
20 tity that is a member of the Coalition as of Sep-  
21 tember 1, 2000, for direct involvement in the public  
22 involvement process.

23 (d) PURPOSES.—The public involvement process  
24 under this section shall provide input and make rec-

1 ommendations to the Secretary and the Secretary of the  
2 Interior on the following:

3 (1) The long-term management of the refuge  
4 consistent with the purposes of the refuge described  
5 in section 3177(d) and in the National Wildlife Ref-  
6 uge System Administration Act of 1966 (16 U.S.C.  
7 668dd et seq.).

8 (2) The identification of any land described in  
9 section 3174(e) that could be made available for  
10 transportation purposes.

11 (3) The potential for leasing any land in Rocky  
12 Flats for the National Renewable Energy Labora-  
13 tory to carry out projects relating to the National  
14 Wind Technology Center.

15 (4) The characteristics and configuration of any  
16 perimeter fencing that may be appropriate or com-  
17 patible for cleanup and closure, refuge, or other pur-  
18 poses.

19 (5) The feasibility of locating, and the potential  
20 location for, a visitor and education center at the  
21 refuge.

22 (6) The establishment of a Rocky Flats mu-  
23 seum described in section 3180.

24 (7) Any other issues relating to Rocky Flats.

1 (e) REPORT.—Not later than three years after the  
2 date of enactment of this Act, the Secretary of the Interior  
3 shall submit to the Committee on Armed Services of the  
4 Senate and the appropriate committee of the House of  
5 Representatives a report that—

6 (1) outlines the conclusions reached through the  
7 public involvement process; and

8 (2) to the extent that any input or rec-  
9 ommendation from the public involvement process is  
10 not accepted, clearly states the reasons why the  
11 input or recommendation is not accepted.

12 **SEC. 3179. PROPERTY RIGHTS.**

13 (a) IN GENERAL.—Except as provided in subsection  
14 (c), nothing in this subtitle limits any valid, existing prop-  
15 erty right at Rocky Flats that is owned by any person  
16 or entity, including, but not limited to—

17 (1) any mineral right;

18 (2) any water right or related easement; and

19 (3) any facility or right-of-way for a utility.

20 (b) ACCESS.—Except as provided in subsection (c),  
21 nothing in this subtitle affects any right of an owner of  
22 a property right described in subsection (a) to access the  
23 owner's property.

24 (c) REASONABLE CONDITIONS.—

1           (1) IN GENERAL.—The Secretary or the Sec-  
2           retary of the Interior may impose such reasonable  
3           conditions on access to property rights described in  
4           subsection (a) as are appropriate for the cleanup  
5           and closure of Rocky Flats and for the management  
6           of the refuge.

7           (2) NO EFFECT ON APPLICABLE LAW.—Noth-  
8           ing in this subtitle affects any other applicable Fed-  
9           eral, State, or local law (including any regulation)  
10          relating to the use, development, and management of  
11          property rights described in subsection (a).

12          (3) NO EFFECT ON ACCESS RIGHTS.—Nothing  
13          in this subsection precludes the exercise of any ac-  
14          cess right, in existence on the date of enactment of  
15          this Act, that is necessary to perfect or maintain a  
16          water right in existence on that date.

17          (d) PURCHASE OF MINERAL RIGHTS.—

18               (1) IN GENERAL.—The Secretary shall seek to  
19               acquire any and all mineral rights at Rocky Flats  
20               through donation or through purchase or exchange  
21               from willing sellers for fair market value.

22               (2) FUNDING.—The Secretary and the Sec-  
23               retary of the Interior—

1 (A) may use for the purchase of mineral  
2 rights under paragraph (1) funds specifically  
3 provided by Congress; but

4 (B) shall not use for such purchase funds  
5 appropriated by Congress for the cleanup and  
6 closure of Rocky Flats.

7 (e) UTILITY EXTENSION.—

8 (1) IN GENERAL.—The Secretary or the Sec-  
9 retary of the Interior may allow not more than one  
10 extension from an existing utility right-of-way on  
11 Rocky Flats, if necessary.

12 (2) CONDITIONS.—An extension under para-  
13 graph (1) shall be subject to the conditions specified  
14 in subsection (c).

15 (f) EASEMENT SURVEYS.—

16 (1) IN GENERAL.—Subject to paragraph (2),  
17 until the date that is 180 days after the date of en-  
18 actment of this Act, an entity that possesses a de-  
19 creed water right or prescriptive easement relating  
20 to land at Rocky Flats may carry out such surveys  
21 at Rocky Flats as the entity determines are nec-  
22 essary to perfect the right or easement.

23 (2) LIMITATION ON CONDITIONS.—An activity  
24 carried out under paragraph (1) shall be subject  
25 only to such conditions as are imposed—

1 (A) by the Secretary of Energy, before the  
2 date on which the transfer of management re-  
3 sponsibilities under section 3175(a)(3) is com-  
4 pleted, to minimize interference with the clean-  
5 up and closure of Rocky Flats; and

6 (B) by the Secretary of the Interior, on or  
7 after the date on which the transfer of manage-  
8 ment responsibilities under section 3175(a)(3)  
9 is completed, to minimize adverse effects on the  
10 management of the refuge.

11 **SEC. 3180. ROCKY FLATS MUSEUM.**

12 (a) MUSEUM.—In order to commemorate the con-  
13 tribution that Rocky Flats and its worker force provided  
14 to the winning of the Cold War and the impact that the  
15 contribution has had on the nearby communities and the  
16 State of Colorado, the Secretary may establish a Rocky  
17 Flats Museum.

18 (b) LOCATION.—The Rocky Flats Museum shall be  
19 located in the city of Arvada, Colorado, unless, after con-  
20 sultation under subsection (c), the Secretary determines  
21 otherwise.

22 (c) CONSULTATION.—The Secretary shall consult  
23 with the city of Arvada, other local communities, and the  
24 Colorado State Historical Society on—

25 (1) the development of the museum;

1           (2) the siting of the museum; and

2           (3) any other issues relating to the development  
3           and construction of the museum.

4           (d) REPORT.—Not later than three years after the  
5           date of enactment of this Act, the Secretary, in coordina-  
6           tion with the city of Arvada, shall submit to the Com-  
7           mittee on Armed Services of the Senate and the appro-  
8           priate committee of the House of Representatives a report  
9           on the costs associated with the construction of the mu-  
10          seum and any other issues relating to the development and  
11          construction of the museum.

12   **SEC. 3181. REPORT ON FUNDING.**

13          At the time of submission of the first budget of the  
14          United States Government submitted by the President  
15          under section 1105 of title 31, United States Code, after  
16          the date of enactment of this Act, and annually thereafter,  
17          the Secretary and the Secretary of the Interior shall report  
18          to the Committee on Armed Services and the Committee  
19          on Appropriations of the Senate and the appropriate com-  
20          mittees of the House of Representatives on—

21                 (1) the costs incurred in implementing this sub-  
22                 title during the preceding fiscal year; and

23                 (2) the funds required to implement this sub-  
24                 title during the current and subsequent fiscal years.

1 **TITLE XXXII—DEFENSE NU-**  
 2 **CLEAR FACILITIES SAFETY**  
 3 **BOARD**

4 **SEC. 3201. AUTHORIZATION.**

5 There are authorized to be appropriated for fiscal  
 6 year 2002, \$18,500,000 for the operation of the Defense  
 7 Nuclear Facilities Safety Board under chapter 21 of the  
 8 Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

9 **TITLE XXXIII—NATIONAL**  
 10 **DEFENSE STOCKPILE**

11 **SEC. 3301. AUTHORITY TO DISPOSE OF CERTAIN MATE-**  
 12 **RIALS IN THE NATIONAL DEFENSE STOCK-**  
 13 **PILE.**

14 (a) **DISPOSAL REQUIRED.**—Subject to the conditions  
 15 specified in subsection (b), the President may dispose of  
 16 obsolete and excess materials currently contained in the  
 17 National Defense Stockpile provided for in section 4 of  
 18 the Strategic and Critical Materials Stock Piling Act (50  
 19 U.S.C. 98e). The materials subject to disposal under this  
 20 subsection and the quantity of each material authorized  
 21 to be disposed of by the President are set forth in the  
 22 following table:

**Authorized Stockpile Disposals**

<b>Material for disposal</b>	<b>Quantity</b>
Bauxite .....	40,000 short tons
Chromium Metal .....	3,512 short tons
Iridium .....	25,140 troy ounces

**Authorized Stockpile Disposals—Continued**

<b>Material for disposal</b>	<b>Quantity</b>
Jewel Bearings .....	30,273,221 pieces
Manganese Ferro HC .....	209,074 short tons
Palladium .....	11 troy ounces
Quartz Crystal .....	216,648 pounds
Tantalum Metal Ingot .....	120,228 pounds contained
Tantalum Metal Powder .....	36,020 pounds contained
Thorium Nitrate .....	600,000 pounds.

1 (b) MINIMIZATION OF DISRUPTION AND LOSS.—The  
2 President may not dispose of materials under subsection  
3 (a) to the extent that the disposal will result in—

4 (1) undue disruption of the usual markets of  
5 producers, processors, and consumers of the mate-  
6 rials proposed for disposal; or

7 (2) avoidable loss to the United States.

8 (c) RELATIONSHIP TO OTHER DISPOSAL AUTHOR-  
9 ITY.—The disposal authority provided in subsection (a) is  
10 new disposal authority and is in addition to, and shall not  
11 affect, any other disposal authority provided by law re-  
12 garding the materials specified in such subsection.

13 **SEC. 3302. REVISION OF LIMITATIONS ON REQUIRED DIS-**  
14 **POSALS OF COBALT IN THE NATIONAL DE-**  
15 **FENSE STOCKPILE.**

16 (a) PUBLIC LAW 105–261.—Section 3303 of the  
17 Strom Thurmond National Defense Authorization Act for  
18 Fiscal Year 1999 (112 Stat. 2263; 50 U.S.C. 98d note)  
19 is amended—

1           (1) in subsection (a), by striking “the amount  
2 of—” and inserting “total amounts not less  
3 than—”; and

4           (2) in subsection (b)(2), by striking “receipts in  
5 the amounts specified in subsection (a)” and insert-  
6 ing “receipts in the total amount specified in such  
7 subsection (a)(4)”.

8           (b) PUBLIC LAW 105–85.—Section 3305 of the Na-  
9 tional Defense Authorization Act for Fiscal Year 1998  
10 (111 Stat. 2057; 50 U.S.C. 98d note) is amended—

11           (1) in subsection (a), by striking “amounts  
12 equal to—” and inserting “total amounts not less  
13 than—”; and

14           (2) in subsection (b)(2)—

15           (A) by striking “may not dispose of cobalt  
16 under this section” and inserting “may not,  
17 under this section, dispose of cobalt in the fiscal  
18 year referred to in subsection (a)(5)”;

19           (B) by striking “receipts in the amounts  
20 specified in subsection (a)” and inserting “re-  
21 cepts during that fiscal year in the total  
22 amount specified in such subsection (a)(5)”.

23           (c) PUBLIC LAW 104–201.—Section 3303 of the Na-  
24 tional Defense Authorization Act for Fiscal Year 1997  
25 (110 Stat. 2855; 50 U.S.C. 98d note) is amended—

1 (1) in subsection (a), by striking “amounts  
2 equal to—” and inserting “total amounts not less  
3 than—”; and

4 (2) in subsection (b)(2)—

5 (A) by striking “may not dispose of mate-  
6 rials under this section” and inserting “may  
7 not, under this section, dispose of materials  
8 during the 10-fiscal year period referred to in  
9 subsection (a)(2)”; and

10 (B) by striking “receipts in the amounts  
11 specified in subsection (a)” and inserting “re-  
12 cepts during that period in the total amount  
13 specified in such subsection (a)(2)”.

14 **SEC. 3303. ACCELERATION OF REQUIRED DISPOSAL OF CO-**  
15 **BALT IN THE NATIONAL DEFENSE STOCK-**  
16 **PILE.**

17 Section 3305(a) of the National Defense Authoriza-  
18 tion Act for Fiscal Year 1998 (111 Stat. 2057; 50 U.S.C.  
19 98d note) is amended—

20 (1) in paragraph (1), by striking “2003” and  
21 inserting “2002”;

22 (2) in paragraph (1), by striking “2004” and  
23 inserting “2003”;

24 (3) in paragraph (1), by striking “2005” and  
25 inserting “2004”;

1 (4) in paragraph (1), by striking “2006” and  
2 inserting “2005”; and

3 (5) in paragraph (1), by striking “2007” and  
4 inserting “2006”.

5 **SEC. 3304. REVISION OF RESTRICTION ON DISPOSAL OF**  
6 **MANGANESE FERRO.**

7 Section 3304 of the National Defense Authorization  
8 Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat.  
9 629) is amended—

10 (1) in subsection (a)—

11 (A) by striking “(a) DISPOSAL OF LOWER  
12 GRADE MATERIAL FIRST.—The President” and  
13 inserting “During fiscal year 2002, the Presi-  
14 dent”; and

15 (B) in the first sentence, by striking “,  
16 until completing the disposal of all manganese  
17 ferro in the National Defense Stockpile that  
18 does not meet such classification”; and

19 (2) by striking subsections (b) and (c).

20 **TITLE XXXIV—NAVAL**  
21 **PETROLEUM RESERVES**

22 **SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

23 (a) AUTHORIZATION OF APPROPRIATIONS.—There is  
24 hereby authorized to be appropriated to the Secretary of  
25 Energy \$17,371,000 for fiscal year 2002 for the purpose

1 of carrying out activities under chapter 641 of title 10,  
2 United States Code, relating to the naval petroleum re-  
3 serves (as defined in section 7420(2) of such title).

4 (b) AVAILABILITY.—The amount authorized to be ap-  
5 propriated by subsection (a) shall remain available until  
6 expended.

**Calendar No. 163**

107<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**S. 1438**

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**A BILL**

To authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

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SEPTEMBER 20, 2001

Read the second time and placed on the calendar