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H. R. 1585

[Report No. 110–146]

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2008, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2007

Mr. SKELTON (for himself and Mr. HUNTER) (both by request) introduced the following bill; which was referred to the Committee on Armed Services

MAY 11, 2007

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on March 20, 2007]

A BILL

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2008, 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,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Defense Authorization Act for Fiscal Year 2008".

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

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

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

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

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

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

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

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Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. National Guard and Reserve equipment.

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Sec. 112. Multiyear procurement authority for M2A3 Bradley Fighting Vehicles, M3A3 Cavalry Fighting Vehicles, and M2A3 Bradley Fire Support Team Vehicles.

Sec. 113. Multiyear procurement authority for conversion of CH-47D helicopters to CH-47F configuration.
Sec. 114. Multiyear procurement authority for CH-47F helicopters.
Sec. 115. Limitation on use of funds for Joint Network Node program pending certification to Congress.
Sec. 116. Prohibition on closure of Army Tactical Missile System production line pending report.

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Sec. 122. Multiyear procurement authority for Virginia-class submarine program.
Sec. 123. Limitation on final assembly of VH-71 Presidential transport helicopters.
Sec. 124. Limitation on operational deployment of weapons system that uses Trident missiles converted to carry conventional payloads.
Sec. 125. Program to provide contractors with capital expenditure incentives.
Sec. 126. Limitation on use of shipbuilding and conversion, Navy, funds for employment of nonimmigrant workers.
Sec. 127. Limitation on concurrent design and construction on first ship of a shipbuilding program.

Subtitle D—Air Force Programs

Sec. 131. Limitation on retiring C-5 aircraft.
Sec. 132. Limitation on Joint Cargo Aircraft.
Sec. 133. Clarification of limitation on retirement of U-2 aircraft.
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Sec. 201. Authorization of appropriations.
Sec. 202. Amount for defense science and technology.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Operational test and evaluation of Future Combat Systems network.
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Sec. 222. Fielding of ballistic missile defense capabilities and future roles and missions of Missile Defense Agency.
Sec. 223. Limitation on use of funds for replacing warhead on SM-3 Block IIA missile.

Sec. 224. Two-year extension of Comptroller General assessments of ballistic missile defense programs.
Sec. 225. Independent study on deploying missile defense system in Europe.
Sec. 226. Sense of Congress concerning full support for development and fielding of a layered ballistic missile defense.

Subtitle D—Other Matters

Sec. 231. Responsibility for human systems integration activities.
Sec. 232. Expansion of authority for encouragement of technology transfer.
Sec. 233. Army Venture Capital Fund demonstration.
Sec. 234. Independent tests for combat helmet pad suspension systems.
Sec. 235. Report on implementation of Manufacturing Technology Program.
Sec. 236. Assessment of sufficiency of test and evaluation personnel.
Sec. 237. Repeal of requirement for separate reports on technology area review and assessment summaries.

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Sec. 346. Conditions on relocation of North American Aerospace Defense command center and related functions from Cheyenne Mountain to Peterson Air Force Base.
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Sec. 525. Recodification in title 38, United States Code, of certain educational assistance programs for members of the reserve components.
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Sec. 2831. Conditions on acquisition of land for expansion of Pinon Canyon Maneuver Site, Colorado.
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Sec. 2851. Repeal of congressional notification requirement regarding cancellation ceiling for Department of Defense energy savings performance contracts.
Sec. 2852. Report on opportunities for leveraging funds of the Department of Defense and States to prevent disruption in event of electric grid or pipeline failures.

Subtitle F—Other Matters

Sec. 2861. Revised deadline for transfer of Arlington Naval Annex to Arlington National Cemetery.
Sec. 2862. Transfer of jurisdiction over Air Force Memorial to Department of the Air Force.
Sec. 2863. Establishment of national military working dog teams monument on suitable military installation.
Sec. 2864. Naming housing facility at Fort Carson, Colorado, in honor of the Honorable Joel Hefley, a former member of the United States House of Representatives.
Sec. 2865. Naming Navy and Marine Corps Reserve Center at Rock Island, Illinois, in honor of the Honorable Lane Evans, a former member of the United States House of Representatives.
Sec. 2866. Naming of research laboratory at Air Force Rome Research Site, Rome, New York, in honor of the Honorable Sherwood L. Boehlert, a former member of the United States House of Representatives.
Sec. 2867. Naming of administration building at Joint Systems Manufacturing Center, Lima, Ohio, in honor of the Honorable Michael G. Oxley, a former member of the United States House of Representatives.

Sec. 2868. Naming of Logistics Automation Training Facility, Army Quartermaster Center and School, Fort Lee, Virginia, in honor of General Richard H. Thompson.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

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Sec. 3101. National Nuclear Security Administration.
Sec. 3102. Defense environmental cleanup.
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Sec. 3111. Study on using existing pits for the Reliable Replacement Warhead program.
Sec. 3112. National Nuclear Security Administration study on nuclear weapons complex protective forces.
Sec. 3113. Report on retirement and dismantlement of nuclear warheads.
Sec. 3114. Assessment of security risks posed to nuclear weapons complex.
Sec. 3115. Department of Energy report on plan to strengthen and expand International Radiological Threat Reduction program.
Sec. 3116. Department of Energy report on plan to strengthen and expand Materials Protection, Control, and Accounting program.
Sec. 3117. Authority to use International Nuclear Materials Protection and Cooperation program funds outside the former Soviet Union.
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TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Sec. 3301. Authorized uses of National Defense Stockpile funds.
Sec. 3302. Revisions to required receipt objectives for previously authorized disposals from the national defense stockpile.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Authorization of appropriations.

TITLE XXXV—MARITIME ADMINISTRATION

Sec. 3501. Authorization of appropriations for fiscal year 2008.
Sec. 3502. Temporary authority to transfer obsolete combatant vessels to Navy for disposal.

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

2 *For purposes of this Act, the term "congressional de-*
3 *fense committees" has the meaning given that term in sec-*
4 *tion 101(a)(16) of title 10, United States Code.*

5 DIVISION A—DEPARTMENT OF
6 DEFENSE AUTHORIZATIONS
7 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. National Guard and Reserve equipment.

Subtitle B—Army Programs

Sec. 111. Multiyear procurement authority for M1A2 Abrams System Enhancement Package vehicles.
Sec. 112. Multiyear procurement authority for M2A3 Bradley Fighting Vehicles, M3A3 Cavalry Fighting Vehicles, and M2A3 Bradley Fire Support Team Vehicles.
Sec. 113. Multiyear procurement authority for conversion of CH-47D helicopters to CH-47F configuration.
Sec. 114. Multiyear procurement authority for CH-47F helicopters.
Sec. 115. Limitation on use of funds for Joint Network Node program pending certification to Congress.
Sec. 116. Prohibition on closure of Army Tactical Missile System production line pending report.

Subtitle C—Navy Programs

Sec. 121. Authority to transfer funds for submarine engineered refueling overhauls and conversions and for aircraft carrier refueling complex overhauls.
Sec. 122. Multiyear procurement authority for Virginia-class submarine program.
Sec. 123. Limitation on final assembly of VH-71 Presidential transport helicopters.
Sec. 124. Limitation on operational deployment of weapons system that uses Trident missiles converted to carry conventional payloads.
Sec. 125. Program to provide contractors with capital expenditure incentives.
Sec. 126. Limitation on use of shipbuilding and conversion, Navy, funds for employment of nonimmigrant workers.
Sec. 127. Limitation on concurrent design and construction on first ship of a shipbuilding program.

Subtitle D—Air Force Programs

Sec. 131. Limitation on retiring C-5 aircraft.

Sec. 132. Limitation on Joint Cargo Aircraft.
Sec. 133. Clarification of limitation on retirement of U-2 aircraft.
Sec. 134. Repeal of requirement to maintain retired C-130E tactical airlift aircraft.

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 2008 for procurement for the Army as follows:

(1) For aircraft, $3,928,139,000.

(2) For missiles, $2,114,902,000.

(3) For weapons and tracked combat vehicles, $3,311,117,000.

(4) For ammunition, $2,238,176,000.

(5) For other procurement, $11,465,456,000.

(6) For the Joint Improvised Explosive Device Defeat Fund, $500,000,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2008 for procurement for the Navy as follows:

(1) For aircraft, $12,750,767,000.

(2) For weapons, including missiles and torpedoes, $3,058,387,000.

(3) For shipbuilding and conversion, $15,744,120,000.

(4) For other procurement, $5,443,612,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2008 for procurement for the Marine Corps in the amount of $2,580,257,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2008 for procurement of ammunition for the Navy and the Marine Corps in the amount of $1,060,484,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2008 for procurement for the Air Force as follows:

(1) For aircraft, $12,356,270,000.

(2) For ammunition, $868,917,000.

(3) For missiles, $5,138,002,000.

(4) For other procurement, $15,441,762,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 2008 for Defense-wide procurement in the amount of $3,537,834,000.

SEC. 105. NATIONAL GUARD AND RESERVE EQUIPMENT.

Funds are hereby authorized to be appropriated for fiscal year 2008 for the procurement of aircraft, missiles, wheeled and tracked combat vehicles, tactical wheeled vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces in the amount of $1,131,850,000.

Subtitle B—Army Programs

SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR M1A2 ABRAMS SYSTEM ENHANCEMENT PACKAGE VEHICLES.

(a) AUTHORITY.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract, beginning with the fiscal year 2008 program year, for procurement of M1A2 Abrams System Enhancement Package vehicles.

(b) LIMITATION ON TERM OF CONTRACT.—Notwithstanding subsection (k) of section 2306b of title 10, United States Code, a contract under this section may not be for a period in excess of five program years.

SEC. 112. MULTIYEAR PROCUREMENT AUTHORITY FOR M2A3 BRADLEY FIGHTING VEHICLES, M3A3 CAVALRY FIGHTING VEHICLES, AND M2A3 BRADLEY FIRE SUPPORT TEAM VEHICLES.

(a) AUTHORITY.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract, beginning with the fiscal year 2008 program year, for procurement of M2A3 Bradley Fighting Vehicles, M3A3 Cavalry Fighting Vehicles, and M2A3 Bradley Fire Support Team Vehicles.

(b) LIMITATION ON TERM OF CONTRACT.—Notwithstanding subsection (k) of section 2306b of title 10, United

States Code, a contract under this section may not be for a period in excess of four program years.

SEC. 113. MULTIYEAR PROCUREMENT AUTHORITY FOR CONVERSION OF CH-47D HELICOPTERS TO CH-47F CONFIGURATION.

(a) AUTHORITY.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract, beginning with the fiscal year 2008 program year, for conversion of CH-47D helicopters to the CH-47F configuration.

(b) LIMITATION ON TERM OF CONTRACT.—Notwithstanding subsection (k) of section 2306b of title 10, United States Code, a contract under this section may not be for a period in excess of five program years.

SEC. 114. MULTIYEAR PROCUREMENT AUTHORITY FOR CH-47F HELICOPTERS.

(a) AUTHORITY.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract, beginning with the fiscal year 2008 program year, for procurement of CH-47F helicopters.

(b) LIMITATION ON TERM OF CONTRACT.—Notwithstanding subsection (k) of section 2306b of title 10, United States Code, a contract under this section may not be for a period in excess of five program years.

SEC. 115. LIMITATION ON USE OF FUNDS FOR JOINT NETWORK NODE PROGRAM PENDING CERTIFICATION TO CONGRESS.

Of the amounts authorized to be appropriated for fiscal year 2008 for Other Procurement, Army, that are available for the Joint Network Node program, not more than 50 percent may be obligated or expended until the Secretary of the Army submits to the congressional defense committees the Secretary's certification, in writing, that—

(1) the Joint Network Node program is a program of record in accordance with Department of Defense Instruction 5000.2, "Operation of the Defense Acquisition System", dated May 12, 2003;

(2) the Director of Operational Test and Evaluation has approved a plan for an operational test and evaluation of the Joint Network Node system; and

(3) the Army plans to procure all future lots of equipment for the Joint Network Node program through a competitive bid process.

SEC. 116. PROHIBITION ON CLOSURE OF ARMY TACTICAL MISSILE SYSTEM PRODUCTION LINE PENDING REPORT.

(a) PROHIBITION.—Amounts appropriated pursuant to the authorization of appropriations in section 101(2) for missiles, Army, and in section 1502(4) for missile procurement, Army, and any other appropriated funds available

to the Secretary of the Army may not be used to commence, continue, or complete the closure of the production line for the Army Tactical Missile System program until at least 120 days after the date on which the Secretary of the Army submits to the congressional defense committees a report that contains—

(1) the certification of the Secretary that the long range surface-to-surface strike and counter battery mission of the Army can be adequately performed by other elements of the Armed Forces;

(2) a plan to mitigate any shortfalls in the industrial base that would be created by the closure of the production line; and

(3) a plan to replace the Army's capability to perform long range surface-to-surface strike and counter battery missions.

(b) SUBMISSION OF REPORT.—The report referred to in subsection (a) is required not later than April 1, 2008.

Subtitle C—Navy Programs

SEC. 121. AUTHORITY TO TRANSFER FUNDS FOR SUBMARINE ENGINEERED REFUELING OVERHAULS AND CONVERSIONS AND FOR AIRCRAFT CARRIER REFUELING COMPLEX OVERHAULS.

(a) IN GENERAL.—Chapter 633 of title 10, United States Code, is amended by adding at the end the following:

"§ 7317. Transfer of funds for submarine engineered refueling overhauls and conversions and for aircraft carrier refueling complex overhauls

"(a) AUTHORITY.—From amounts made available to the Department of Defense for fiscal year 2008 or any fiscal year thereafter, the Secretary of Defense may transfer, to the account for procurement, Navy, for shipbuilding and conversion, such amounts as the Secretary determines necessary to cover the costs of submarine engineered refueling overhauls and conversions or aircraft carrier refueling complex overhauls. Amounts so transferred shall be merged with and be available for the same purposes and for the same time period as the appropriation to which transferred. This transfer authority is in addition to any other transfer authority available to the Secretary.

"(b) DETERMINATION.—The authority under this section may be exercised only where the Secretary determines that the transfer of funds is required because of the discovery, during the overhaul or conversion concerned, of unanticipated and emergent maintenance or repair.

"(c) NOTIFICATION.—A transfer may be made under this section if—

"(1) the Secretary determines that the overhaul or conversion concerned can be completed, so as to return the submarine or aircraft carrier to a full operational status, with that transfer; and

"(2) the Secretary submits to the congressional defense committees a written notification of the determination required by subsection (b) and the determination required by paragraph (1), together with explanations of the basis for each such determination.

"(d) LIMITATION OF $20,000,000.—An overhaul or conversion may receive one or more transfers under this section, but may not receive more than $20,000,000 in such transfers, regardless of fiscal year.".

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

"7317. Transfer of funds for submarine engineered refueling overhauls and conversions and for aircraft carrier refueling complex overhauls.".

SEC. 122. MULTIYEAR PROCUREMENT AUTHORITY FOR VIRGINIA-CLASS SUBMARINE PROGRAM.

(a) AUTHORITY.—The Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into multiyear contracts, beginning with the fiscal year 2008 program year, for the procurement of Virginia-class submarines and Government-furnished equipment associated with the Virginia-class submarine program.

(b) LIMITATION.—The Secretary may not enter into a contract authorized by subsection (a) until—

(1) the Secretary submits to the congressional defense committees a certification that the Secretary has made, with respect to that contract, each of the findings required by subsection (a) of section 2306(b) of title 10, United States Code; and

(2) a period of 30 days has elapsed after the date of the transmission of such certification.

SEC. 123. LIMITATION ON FINAL ASSEMBLY OF VH-71 PRESIDENTIAL TRANSPORT HELICOPTERS.

(a) IN GENERAL.—No funds appropriated pursuant to an authorization of appropriations or otherwise made available for aircraft procurement, Navy, may be obligated or expended for the final assembly of more than five VH-71 Presidential transport helicopters.

(b) EXCEPTION.—The limitation in subsection (a) does not apply to a helicopter if the final assembly of the helicopter is carried out in the United States.

SEC. 124. LIMITATION ON OPERATIONAL DEPLOYMENT OF WEAPONS SYSTEM THAT USES TRIDENT MISSILES CONVERTED TO CARRY CONVENTIONAL PAYLOADS.

(a) LIMITATION.—No funds appropriated or otherwise available to the Department of Defense for fiscal year 2008 may be obligated or expended for operational deployment of a weapons system that uses Trident missiles converted to carry conventional payloads.

(b) NOTIFICATION.—Within 30 days after the date on which the Secretary of Defense determines that the weapons system referred to in subsection (a) is fully functional and that fielding the weapons system is necessary to meet military requirements, the Secretary shall submit to the congressional defense committees notification, in writing, of that determination.

SEC. 125. PROGRAM TO PROVIDE CONTRACTORS WITH CAPITAL EXPENDITURE INCENTIVES.

(a) IN GENERAL.—From amounts made available for procurement, Navy, for shipbuilding and conversion, for fiscal year 2008 or any fiscal year thereafter, the Secretary of the Navy may carry out a program under which the Sec-

retary provides contractors with capital expenditure incentives to support investment in facilities and process improvements for current and future Navy vessel construction contracts.

(b) USE OF FUNDS.—Amounts provided to a contractor under the program may be used for improvements that benefit any one or more of the shipbuilding programs in the contractor's facilities.

(c) ANALYSIS REQUIRED.—Amounts may be provided to a contractor under the program only if the contractor presents a proposal containing a fully supported analysis that demonstrates that the investment would lead to ship construction or life cycle savings to the Federal Government by—

(1) improvements in design, material, technology, or manufacturing process;

(2) investing in shipyard infrastructure that would support construction process improvement;

(3) investing in specialized workforce training, including apprenticeship training programs; or

(4) investing in construction process that would reduce life cycle maintenance costs of the vessels under construction at the contractor's facilities.

(d) APPROVAL.—The Secretary shall not provide amounts to a contractor under the program unless the Secretary determines that—

(1) the analysis contained in the proposal is sound; and

(2) providing those amounts is in the best interests of the United States.

(e) DEMONSTRATION OF SAVINGS TO THE FEDERAL GOVERNMENT.—The Secretary shall not provide amounts to a contractor under the program unless the Secretary and the contractor, as part of the approval process for a proposal, agree to measures, benchmarks, and recoupment provisions in the event the investment fails to demonstrate savings to the Federal Government.

(f) REPORT.—At the end of each fiscal year, beginning with fiscal year 2008, the Secretary shall submit to the congressional defense committees a report on the activities carried out under this section during that fiscal year. The report shall describe each incentive approved during that fiscal year and, for each such incentive, include an estimate of the costs of providing the incentive and an analysis of the potential savings to the Federal Government from the investment.

(g) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section. The initial regulations

shall be prescribed not later than 180 days after the date of the enactment of this Act.

SEC. 126. LIMITATION ON USE OF SHIPBUILDING AND CONVERSION, NAVY, FUNDS FOR EMPLOYMENT OF NONIMMIGRANT WORKERS.

(a) LIMITATION ON THE USE OF FUNDS.—

(1) IN GENERAL.—Except as provided in subsection (c), funds appropriated or otherwise available to the Department of Defense for Shipbuilding and Conversion, Navy, for fiscal year 2008 or any fiscal year thereafter may not be used for the purpose of ship construction at the facility of a contractor who, for the purposes of United States Navy ship construction, employs or contracts for foreign workers who are legally present in the United States under a H2B visa.

(2) CONTRACTORS COVERED.—Paragraph (1) applies to prime contractors and subcontracts at any tier under such contracts.

(b) ANALYSIS OF SHIPYARD LABOR.—

(1) IN GENERAL.—The Assistant Secretary of the Navy for Research, Development, and Acquisition shall maintain a five-year forecast of potential labor surplus, by shipyard, for each of the shipyards that construct ships for the Navy based on the Navy's an-

nual naval vessel construction plan required by section 231 of title 10, United States Code.

(2) INCLUSION IN PLAN.—The forecast required by paragraph (1) shall be included in each plan submitted in accordance with section 231 of title 10, United States Code.

(c) EXCEPTION FOR SHORTAGE OF UNITED STATES WORKERS.—The Secretary of the Navy may waive the restriction in subsection (a) for a contractor for a fiscal year if the contractor certifies to the Secretary for that fiscal year that—

(1) the contractor has fully complied with all existing laws and regulations regarding labor certifications in support of an application for alien employment via the H2B visa process;

(2) a Department of Labor regional certifying officer has issued a determination approving such an application, in accordance with existing laws and regulations; and

(3) the contractor has attempted to recruit United States shipyard workers in the geographical area surrounding shipyards identified in the most recent Navy annual naval vessel construction plan as having potential labor surpluses, in a manner that is

consistent with procedures which shall be prescribed by the Secretary and that—

(A) is appropriate for the occupation;

(B) offers, at a minimum, the same transportation and housing benefits to be offered to alien employees; and

(C) is most likely to bring responses.

SEC. 127. LIMITATION ON CONCURRENT DESIGN AND CONSTRUCTION ON FIRST SHIP OF A SHIPBUILDING PROGRAM.

(a) IN GENERAL.—For any shipbuilding program that is a major defense acquisition program under section 2430 of title 10, United States Code, the start of construction of a first ship (as defined in subsection (b)) may not occur until the Secretary of the Navy certifies to the congressional defense committees that the detailed design of the ship is completed and approved by the relevant design certification agents, to a level determined by the Secretary to be acceptable for commencement of construction, via a report described in subsection (d).

(b) FIRST SHIP.—For purposes of subsection (a), a ship is a first ship if—

(1) the ship is the first ship to be constructed under that shipbuilding program;

(2) the shipyard at which the ship is to be constructed has not previously started construction on a ship under that shipbuilding program; or

(3) the ship is the first ship to be constructed following a major design change, characterized as a change in flight, under that shipbuilding program.

(c) START OF CONSTRUCTION.—For purposes of subsection (a), start of construction means the beginning of fabrication of the hull and superstructure of the ship.

(d) REPORT.—The Secretary of the Navy shall provide the certification required by subsection (a) in a report that provides an assessment of each of the following:

(1) The degree of completion of the detailed design drawings and specifications for the ship.

(2) The readiness of the shipyard facilities and workforce to begin construction.

(3) The maturity level of research and development efforts of any new technologies that will be used in the ship's command and control systems, weapons systems, sensor systems, mechanical or electrical systems, or hull.

(4) The ability to meet cost and schedule estimates within the applicable program baseline.

(e) APPLICABILITY.—

(1) NEW SHIPBUILDING PROGRAMS.—This section applies to each shipbuilding program beginning after the date of the enactment of this Act.

(2) MAJOR DESIGN CHANGES FOR EXISTING SHIPBUILDING PROGRAMS.—In addition, subsection (b)(3) applies to any major design change occurring after the date of the enactment of this Act to any shipbuilding program in existence as of the date of the enactment of this Act.

Subtitle D—Air Force Programs

SEC. 131. LIMITATION ON RETIRING C-5 AIRCRAFT.

(a) CERTIFICATION AND COST ANALYSIS REQUIRED.—The Secretary of the Air Force may not proceed with a decision to retire C-5A aircraft from the inventory of the Air Force in any number that would reduce the total number of such aircraft in the inventory below 111 until 45 days after the Secretary of the Air Force submits to the congressional defense committees the following:

(1) The Secretary's certification that—

(A) the Secretary is able to comply with subsection (g) of section 8062 of title 10, United States Code; and

(B) retiring the aircraft will not significantly increase operational risk of not meeting the National Military Strategy.

(2) A cost analysis with respect to the aircraft to be retired that—

(A) evaluates which alternative is more prudent in meeting strategic airlift mobility requirements—

(i) to retire the aircraft; or

(ii) to perform the Avionics Modernization Program (AMP) and the Reliability Enhancement and Re-engining Program (RERP) on the aircraft; and

(B) evaluates the cost of C-17 aircraft to replace the capability of the aircraft to be retired.

(b) ADDITIONAL REQUIREMENTS FOR COST ANALYSIS.—The cost analysis required by subsection (a)(2) shall be performed by a Federally Funded Research and Development Center selected by the Air Force and shall conform to the following requirements:

(1) The cost analysis shall include one analysis that uses "constant year dollars" and one analysis that uses "then year dollars".

(2) For each such analysis, the time period covered by the analysis shall be the expected service life of the aircraft concerned.

(3) For each such analysis, the ownership costs evaluated shall include costs for—

(A) planned technology insertions or upgrades over the service life of the aircraft to meet emerging requirements;

(B) research and development;

(C) testing;

(D) procurement;

(E) production;

(F) production termination;

(G) operations;

(H) training;

(I) maintenance;

(J) sustainment;

(K) military construction;

(L) personnel;

(M) cost of replacement due to attrition; and

(N) disposal.

(4) The cost analysis shall include each of the following:

(A) An assessment of the quality of each cost analysis.

(B) A discussion of each of the following:

(i) The assumptions used.

(ii) The benefits to be realized from each alternative.

(iii) Adverse impacts to be realized from each alternative.

(iv) Cargo capacity, operational availability, departure reliability, and mission capability.

(v) Aircraft basing.

(vi) Aircrew ratios and associated training requirements.

(vii) Performing AMP and RERP on only C-5B and C5C aircraft.

(C) A summary table that compares and contrasts each alternative with respect to each of the requirements of this subsection.

(c) CONFORMING REPEAL.—Section 132 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136; 117 Stat. 1411) is repealed.

SEC. 132. LIMITATION ON JOINT CARGO AIRCRAFT.

No funds appropriated pursuant to an authorization of appropriations or otherwise made available for procurement, or for research, development, test, and evaluation, may be obligated or expended for the Joint Cargo Aircraft until 30 days after the Secretary of Defense submits to the congressional defense committees each of the following:

(1) The Air Force Air Mobility Command's Airlift Mobility Roadmap.

(2) The Department of Defense Intra-Theater Airlift Capabilities Study.

(3) The Department of Defense Joint Intra-Theater Distribution Assessment.

(4) The Joint Cargo Aircraft Functional Area Series Analysis.

(5) The Joint Cargo Aircraft Analysis of Alternatives.

(6) The Secretary's certification that—

(A) there is, within the Department of the Army, Department of the Air Force, Army National Guard, or Air National Guard, a capability gap or shortfall with respect to intra-theater airlift; and

(B) validated requirements exist to fill that gap or shortfall through procurement of the Joint Cargo Aircraft.

SEC. 133. CLARIFICATION OF LIMITATION ON RETIREMENT OF U-2 AIRCRAFT.

Section 133(b) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364; 120 Stat. 2112) is amended—

(1) in paragraph (1)—

(A) by striking "After fiscal year 2007" and inserting "For each fiscal year after fiscal year 2007"; and

(B) by inserting after "Secretary of Defense" the following: ", in that fiscal year,"; and

(2) in paragraph (2)—

(A) by inserting after "Department of Defense" the following: "in a fiscal year"; and

(B) by inserting after "Congress" the following: "in that fiscal year".

SEC. 134. REPEAL OF REQUIREMENT TO MAINTAIN RETIRED C-130E TACTICAL AIRLIFT AIRCRAFT.

Section 137(b) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364; 120 Stat. 2114) is repealed.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for defense science and technology.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Operational test and evaluation of Future Combat Systems network.
Sec. 212. Limitation on systems development and demonstration of Joint Light Tactical Vehicle program.
Sec. 213. Requirement to obligate funds for development and procurement of a competitive propulsion system for the Joint Strike Fighter.
Sec. 214. Limitation on use of funds for manufacturing science and technology program.

Subtitle C—Ballistic Missile Defense

Sec. 221. Oversight of Missile Defense Agency programs by Director of Operational Test and Evaluation.
Sec. 222. Fielding of ballistic missile defense capabilities and future roles and missions of Missile Defense Agency.
Sec. 223. Limitation on use of funds for replacing warhead on SM-3 Block IIA missile.
Sec. 224. Two-year extension of Comptroller General assessments of ballistic missile defense programs.
Sec. 225. Independent study on deploying missile defense system in Europe.
Sec. 226. Sense of Congress concerning full support for development and fielding of a layered ballistic missile defense.

Subtitle D—Other Matters

Sec. 231. Responsibility for human systems integration activities.
Sec. 232. Expansion of authority for encouragement of technology transfer.
Sec. 233. Army Venture Capital Fund demonstration.
Sec. 234. Independent tests for combat helmet pad suspension systems.
Sec. 235. Report on implementation of Manufacturing Technology Program.
Sec. 236. Assessment of sufficiency of test and evaluation personnel.
Sec. 237. Repeal of requirement for separate reports on technology area review and assessment summaries.

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2008 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $10,082,498,000.

(2) For the Navy, $17,333,601,000.

(3) For the Air Force, $25,738,960,000.

(4) For Defense-wide activities, $20,141,264,000, of which $180,264,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECHNOLOGY.

(a) FISCAL YEAR 2008.—Of the amounts authorized to be appropriated by section 201, $11,504,291,000 shall be available for the Defense Science and Technology Program, including basic research, applied research, and advanced technology development projects.

(b) BASIC RESEARCH, APPLIED RESEARCH, AND ADVANCED TECHNOLOGY DEVELOPMENT DEFINED.—For purposes of this section, the term "basic research, applied research, and advanced technology development" means work funded in program elements for defense research and development under Department of Defense budget activity 1, 2, or 3.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. OPERATIONAL TEST AND EVALUATION OF FUTURE COMBAT SYSTEMS NETWORK.

(a) OPERATIONAL TEST AND EVALUATION REQUIRED.—The Secretary of the Army, in cooperation with the Director, Operational Test and Evaluation, shall complete an operational test and evaluation (as defined in section 139(a)(2)(A) of title 10, United States Code), of the FCS network in a realistic environment simulating operational conditions. The operational test and evaluation shall—

(1) be conducted and approved by the Director, Operational Test and Evaluation;

(2) be conducted using production representative equipment, sensors, and software for the FCS network;

(3) be conducted in a manner that simulates a full Future Combat Systems brigade;

(4) be conducted, to the maximum extent possible, using actual communications equipment instead of computer simulations;

(5) be conducted in a realistic operational electronic warfare environment, including enemy electronic warfare and network attacks; and

(6) include, to the maximum extent possible, all sensor information feeds the FCS network is designed to incorporate.

(b) FCS NETWORK DEFINED.—In this section, the term "FCS network" includes all sensors, information systems, computers, and communications systems necessary to support Future Combat Systems brigade operations.

(c) REPORT.—Not later than 120 days after completing the operational test and evaluation required by subsection (a), the Director, Operational Test and Evaluation shall submit to the congressional defense committees a re-

port on the outcome of the operational test and evaluation. The report shall include, at a minimum—

(1) an evaluation of the overall operational effectiveness of the FCS network, including—

(A) an evaluation of the FCS network's capability to transmit the volume and classes of data required by Future Combat Systems approved requirements; and

(B) an evaluation of the FCS network's performance in a degraded condition due to enemy network attack, sophisticated enemy electronic warfare, adverse weather conditions, and terrain variability;

(2) an evaluation of the FCS network's ability to improve friendly force knowledge of the location and capability of enemy forces and combat systems; and

(3) an evaluation of the overall operational suitability of the FCS network.

(d) LIMITATION PENDING SUBMISSION OF REPORT.—

(1) IN GENERAL.—No funds appropriated pursuant to an authorization of appropriations or otherwise made available to the Department of the Army for any fiscal year may be obligated for low-rate initial production or full-rate production of Future Combat Systems manned ground vehicles until 60

days after the date on which the report is submitted under subsection (c).

(2) WAIVER AUTHORITY.—The Secretary of Defense may waive the limitation in paragraph (1) if the Secretary determines that such a waiver is critical for national security. Such a waiver shall not become effective until 14 days after the date on which the Secretary submits to the congressional defense committees a written notice of the waiver.

(3) INAPPLICABILITY TO THE NON LINE OF SIGHT CANNON VEHICLE.—The limitation in paragraph (1) does not apply to the Non Line of Sight Cannon vehicle.

SEC. 212. LIMITATION ON SYSTEMS DEVELOPMENT AND DEMONSTRATION OF JOINT LIGHT TACTICAL VEHICLE PROGRAM.

No funds appropriated pursuant to an authorization of appropriations or otherwise made available for any fiscal year may be obligated or expended for the Joint Light Tactical Vehicle program beyond the Design Readiness Review for the acquisition program phase of systems development and demonstration until after the certification for the Joint Light Tactical Vehicle program is made and submitted as required by section 2366a of title 10, United States Code,

and a progress report is received for review by the congressional defense committees.

SEC. 213. REQUIREMENT TO OBLIGATE FUNDS FOR DEVELOPMENT AND PROCUREMENT OF A COMPETITIVE PROPULSION SYSTEM FOR THE JOINT STRIKE FIGHTER.

Of the funds appropriated pursuant to an authorization of appropriations or otherwise made available, for fiscal year 2008 or any fiscal year thereafter, for research, development, test, and evaluation and procurement for the Joint Strike Fighter program, the Secretary of Defense shall obligate sufficient annual amounts to develop and procure a competitive propulsion system for the Joint Strike Fighter in order to conduct a competitive propulsion source selection.

SEC. 214. LIMITATION ON USE OF FUNDS FOR MANUFACTURING SCIENCE AND TECHNOLOGY PROGRAM.

(a) IN GENERAL.—No funds available to the Office of the Secretary of Defense for any fiscal year may be obligated or expended for a manufacturing science and technology project unless the Director, Defense Research and Engineering, ensures that—

(1) the project is awarded using competitive procedures in accordance with section 2304 of title 10, United States Code;

(2) the project is carried out—

(A) under the Manufacturing Technology Program established by section 2521 of title 10, United States Code; and

(B) in compliance with all requirements of any directive that applies to manufacturing technology; and

(3) a technology transition agreement has been fully executed between the Director and a prospective technology user.

(b) DEFINITIONS.—In this subsection:

(1) The term "technology transition agreement" means an agreement signed by officials of the Department of Defense that includes—

(A) a description of the prospective technology user's relevant technology needs in priority order;

(B) a description of the minimum increment of capability that must be developed in order for the prospective technology user to consider implementing the technology;

(C) a schedule of technology transition windows for each technology need;

(D) a description of discrete technology deliverables that specifically identifies which user need would be fulfilled by each deliverable;

(E) a schedule for technology deliverables that aligns with user defined technology transition opportunities; and

(F) a commitment by the prospective technology user to program for advanced development or procurement funding, as appropriate, upon successful delivery of the technology, in accordance with the other terms of the agreement.

(2) The term "prospective technology user" has the meaning given that term in section 2521(c)(6) of title 10, United States Code.

Subtitle C—Ballistic Missile Defense

SEC. 221. OVERSIGHT OF MISSILE DEFENSE AGENCY PROGRAMS BY DIRECTOR OF OPERATIONAL TEST AND EVALUATION.

(a) MDA TO REPORT TO OT&E.—The Director of the Missile Defense Agency shall report promptly to the Director of Operational Test and Evaluation the results of—

(1) all operational test and evaluation conducted by the Missile Defense Agency with respect to any major defense acquisition program; and

(2) all studies conducted in connection with such operational test and evaluation.

(b) OT&E OBSERVERS AT MDA TESTS.—The Director of Operational Test and Evaluation may require that such observers as the Director of Operational Test and Evaluation may designate are present during the preparation for, and the conduct of, the test part of any test and evaluation conducted by the Missile Defense Agency with respect to any major defense acquisition program.

(c) OT&E ACCESS TO INFORMATION.—The Director of Operational Test and Evaluation shall have access to all information of the Department of Defense (including information of the Missile Defense Agency) that the Director considers necessary to review in order to carry out this section.

SEC. 222. FIELDING OF BALLISTIC MISSILE DEFENSE CAPABILITIES AND FUTURE ROLES AND MISSIONS OF MISSILE DEFENSE AGENCY.

(a) AVAILABILITY OF RDT&E FUNDS FOR FISCAL 2009.—Upon approval by the Secretary of Defense, funds appropriated pursuant to an authorization of appropriations or otherwise made available for fiscal year 2009 for

research, development, test, and evaluation for the Missile Defense Agency—

(1) may be used for the development and fielding of ballistic missile defense capabilities; and

(2) may not be used for operations and support activities.

(b) BUDGETING FOR OPERATIONS AND SUPPORT FOR FISCAL 2009.—For fiscal year 2009, any amount in the budget submitted to Congress under section 1105(a) of title 31, United States Code, for operations and support activities for the Missile Defense Agency shall be set forth under the account of the Department of Defense for operation and maintenance, Defense-wide, and, within that account, under the subaccount (or other budget activity level) for the Missile Defense Agency.

(c) PLAN REQUIRED.—Not later than March 1, 2008, the Director of the Missile Defense Agency shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a plan for transitioning the Missile Defense Agency from using research, development, test, and evaluation funds for missile defense fielding activities to using procurement funds for those activities where practicable.

(d) STUDY REQUIRED.—

(1) IN GENERAL.—The Secretary of Defense shall enter into an agreement with one of the Federally Funded Research and Development Centers under which the Center will carry out a study to examine, and make recommendations with respect to, the long-term structure, roles, and missions of the Missile Defense Agency.

(2) MATTERS INCLUDED.—

(A) REVIEW.—The study shall include a full review of the structure, roles, and missions of the Missile Defense Agency.

(B) ASSESSMENTS.—The study shall include an examination and assessment of the current and future—

(i) structure, roles, and missions of the Missile Defense Agency; and

(ii) relationship of the Missile Defense Agency with—

(I) the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics;

(II) the Office of the Under Secretary of Defense for Policy;

(III) the Director of Operational Test and Evaluation;

(IV) the Commander of the United States Strategic Command and other combatant commanders; and

(V) the military departments.

(C) RECOMMENDATIONS.—The study shall include recommendations as to how the Missile Defense Agency can be made more effective to support the needs of the warfighter. The recommendations shall include specific recommendations as to whether—

(i) the Missile Defense Agency should be maintained in its current configuration;

(ii) the scope and nature of the Missile Defense Agency should be changed from an organization focused on research and development to an organization focused on combat support; and

(iii) the Missile Defense Agency should be abolished and its responsibilities transferred to the United States Strategic Command and the military departments.

(3) COOPERATION FROM GOVERNMENT.—In carrying out the study, the Federally Funded Research and Development Center shall receive the full and timely cooperation of the Secretary of Defense and

any other United States Government official in providing the Center with analyses, briefings, and other information necessary for the fulfillment of its responsibilities.

(4) REPORT.—Not later than September 1, 2008, the Federally Funded Research and Development Center shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on its findings, conclusions, and recommendations.

(5) FUNDING.—Funds for the study shall be provided from amounts appropriated for the Department of Defense.

SEC. 223. LIMITATION ON USE OF FUNDS FOR REPLACING WARHEAD ON SM-3 BLOCK IIA MISSILE.

None of the funds appropriated or otherwise made available pursuant to an authorization of appropriations in this Act may be obligated or expended to replace the unitary warhead on the SM-3 Block IIA missile with the Multiple Kill Vehicle until after the Secretary of Defense certifies to Congress that—

(1) the United States and Japan have reached an agreement to replace the unitary warhead on the SM-3 Block IIA missile; and

(2) replacing the unitary warhead on the SM-3 Block IIA missile with the Multiple Kill Vehicle will

not delay the expected deployment date of 2014-2015 for that missile.

SEC. 224. TWO-YEAR EXTENSION OF COMPTROLLER GENERAL ASSESSMENTS OF BALLISTIC MISSILE DEFENSE PROGRAMS.

Section 232(g) of the National Defense Authorization Act for Fiscal Year 2002 (10 U.S.C. 2431 note) is amended—

(1) in paragraph (1), by striking "through 2008" and inserting "through 2010"; and

(2) in paragraph (2), by striking "through 2009" and inserting "through 2011".

SEC. 225. INDEPENDENT STUDY ON DEPLOYING MISSILE DEFENSE SYSTEM IN EUROPE.

(a) STUDY REQUIRED.—The Secretary of Defense shall enter into an agreement with one of the Federally Funded Research and Development Centers under which the Center will carry out a study on the political, technical, operational, force structure, and budgetary implications of deploying a long-range missile defense system in Europe.

(b) ANALYSIS OF ADMINISTRATION PROPOSAL.—The study shall provide a full analysis of the Administration's proposal to protect forward-deployed radars, Europe, and the United States by deploying, in Europe, interceptors and radars of the Ground-Based Midcourse Defense (GMD) sys-

tem. In providing the analysis, the study shall examine each of the following:

(1) The technical capabilities of the GMD system, as so deployed, to effectively protect forward-deployed radars, Europe, and the United States.

(2) The political implications of such a deployment on the United States, the North Atlantic Treaty Organization, and other interested parties.

(3) The operational issues associated with such a deployment.

(4) The force structure implications of such a deployment.

(5) The budgetary implications of such a deployment.

(c) ANALYSIS OF ALTERNATIVES.—The study shall also provide a full analysis of alternative systems that could be deployed to fulfill, in whole or in part, the protective purposes of the Administration's proposal. The alternative systems shall include a range of feasible combinations of other missile defense systems that are available or are expected to be available as of 2020. In providing the analysis, the study shall examine, for each alternative system included, the following:

(1) The technical capabilities of the alternative system, as so deployed, to effectively protect forward-deployed radars, Europe, and the United States.

(2) The political implications of such a deployment on the United States, the North Atlantic Treaty Organization, and other interested parties.

(3) The operational issues associated with such a deployment.

(4) The force structure implications of such a deployment.

(5) The budgetary implications of such a deployment.

(d) COOPERATION REQUIRED.—In carrying out the study, the Federally Funded Research and Development Center shall receive the cooperation of the Secretary of Defense, the Secretary of State, the Director of National Intelligence, and any other United States Government official in providing the Center with analyses, briefings, and other information necessary for the fulfillment of its responsibilities.

(e) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Federally Funded Research and Development Center shall submit to the congressional defense committees and the Secretary of Defense a report

on the results of the study. The report shall be in unclassified form, but may include a classified annex.

(f) FUNDING.—Of the amounts appropriated or otherwise made available pursuant to the authorization of appropriations in section 201(4), $1,000,000 is available to carry out the study required by this section.

SEC. 226. SENSE OF CONGRESS CONCERNING FULL SUPPORT FOR DEVELOPMENT AND FIELDING OF A LAYERED BALLISTIC MISSILE DEFENSE.

It is the sense of Congress that—

(1) the development and proliferation of ballistic missile and nuclear capabilities by rogue nations continues to grow, posing a serious threat to the national security of the United States, United States military forces deployed, and United States national security interests more broadly, as demonstrated by—

(A) the July 2006 test by North Korea of six short-range missiles and one longer-range Taepo Dong-2 missile, and the October 2006 test by North Korea of a nuclear device;

(B) the November 2006 and January 2007 test by Iran of nearly a dozen missiles and an ongoing effort by Iran to enrich uranium;

(C) the reported proliferation of BM-25 intermediate range ballistic missiles from North Korea to Iran; and

(D) the reported January 2007 test by Syria of Scud-D short-range ballistic missiles;

(2) the United States must have the capability to defend its homeland and forward-deployed military forces against the threats highlighted in paragraph (1);

(3) the United States is committed to working with its allies to obtain the capability to defend our broader national security interests against ballistic missile threats highlighted in paragraph (1);

(4) as specified in the John Warner National Defense Authorization Act for Fiscal Year 2007, "It is the policy of the United States that the Department of Defense accord priority within the missile defense program to the development, testing, fielding, and improvement of effective near-term missile defense capabilities, including the ground-based midcourse defense system, the Aegis ballistic missile defense system, the Patriot PAC-3 system, the Terminal High Altitude Area Defense system, and the sensors necessary to support such systems.";

(5) the Congress fully supports efforts by the Department of Defense to continue development, testing, and fielding of an effective, integrated, robust, layered ballistic missile defense system that is capable of intercepting ballistic missiles as described in paragraph (1) in various phases of flight;

(6) a layered defense requires fielding components on land and sea, space-based and other sensors, along with the command and control capability that ties the various components together; and

(7) it is in the national security interest of the United States to continue development, testing, and operations of the United States ballistic missile defense system to hedge against uncertainty in the development, test, and fielding of ballistic missile capabilities by rogue nations.

Subtitle D—Other Matters

SEC. 231. RESPONSIBILITY FOR HUMAN SYSTEMS INTEGRATION ACTIVITIES.

(a) IN GENERAL.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall coordinate and manage human systems integration activities throughout the acquisition programs of the Department of Defense.

(b) ADMINISTRATION.—In carrying out subsection (a), the Secretary shall—

(1) designate a senior official to be responsible for the effort; and

(2) supervise the planning, management, and coordination of such activities.

(c) RESPONSIBILITIES.—In carrying out this section, the Secretary shall—

(1) develop a Department of Defense Instruction, and as necessary a Department of Defense Directive, specific to human systems integration activities; and

(2) identify and recommend, as appropriate, resource requirements for human systems integration activities.

(d) DESIGNATION.—The designation required by subsection (b)(2) shall be made not later than 60 days after the date of the enactment of this Act.

SEC. 232. EXPANSION OF AUTHORITY FOR ENCOURAGEMENT OF TECHNOLOGY TRANSFER.

Section 2514(c) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following:

"(3)(A) Under the Program, the defense laboratories and research centers may, through leases, contracts, or other appropriate arrangements, provide facilities, services, and equipment to private industry in order to promote accelerated development of critical technologies and technology transfer initiatives that support the Department of Defense.

"(B) The facilities, services, and equipment provided under this paragraph shall be provided on a non-interference basis.

"(C) The defense laboratory or research center—

"(i) shall charge, accept, and retain fees in amounts necessary to recover the full costs of the facilities, services, and equipment provided, including capital improvement costs, utility and service costs, and equipment depreciation costs; and

"(ii) may charge, accept, and retain fees for providing the facilities, services, and equipment.

"(D) The defense laboratory or research center may accept payment in cash or in kind for fees charged under subparagraph (C).

"(E) Fees accepted under subparagraph (C) shall be credited to the account that was used to cover the costs for which the payment was provided. Amounts so credited shall be merged with amounts in that account, and shall be avail-

able for the same purposes, and subject to the same conditions and limitations, as other amounts in that account.".

SEC. 233. ARMY VENTURE CAPITAL FUND DEMONSTRATION.

(a) IN GENERAL.—Of the amounts appropriated pursuant to the authorization of appropriations in section 201(1) or otherwise made available for research, development, test, and evaluation, Army, $10,000,000 is available for the Army Venture Capital Fund demonstration, to be used only for investment in renewable energy technologies.

(b) DEFINITION.—For purposes of this section, the Army Venture Capital Fund demonstration is the program for which funds were initially provided in section 8150 of the Department of Defense Appropriations Act, 2002 (division A of Public Law 107-117; 115 Stat. 2281), as extended and revised in section 8105 of Department of Defense Appropriations Act, 2003 (Public Law 107-248; 116 Stat. 1562).

SEC. 234. INDEPENDENT TESTS FOR COMBAT HELMET PAD SUSPENSION SYSTEMS.

(a) IN GENERAL.—From amounts made available pursuant to the authorization of appropriations in section 201(4) for research, development, test, and evaluation, Defense-wide, the Secretary of Defense shall carry out a test and evaluation of combat helmet pad suspension systems. The test and evaluation shall be carried out using verified

product representative samples from the five producers of combat helmet pad suspension systems that are qualified as of the date of the enactment of this Act. The test and evaluation shall include an operational assessment of the pad suspension systems, including a field user evaluation.

(b) INDEPENDENT LABORATORY.—The test and evaluation shall be carried out in an objective and transparent manner by a certified and qualified laboratory that is independent of the Federal Government.

(c) REPORT.—Not later than September 30, 2008, the Secretary shall submit to the congressional defense committees a report on the results of the test and evaluation.

SEC. 235. REPORT ON IMPLEMENTATION OF MANUFACTURING TECHNOLOGY PROGRAM.

(a) REPORT REQUIRED.—Not later than March 1, 2008, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the implementation of the technologies and processes developed under the Manufacturing Technology Program required by section 2521 of title 10, United States Code.

(b) ELEMENTS.—The report shall identify each technology or process implemented and, for each such technology or process, shall identify—

(1) the project of the Manufacturing Technology Program through which the technology or process was developed, the Federal and non-Federal participants in that project, and the duration of the project;

(2) the organization or program implementing the technology or process, and the type of implementation;

(3) the total Federal funding required to implement the technology or process, including—

(A) funds provided by military departments and Defense Agencies under the Manufacturing Technology Program;

(B) funds provided by the Department of Defense, or any element of the Department, to co-develop the technology or process;

(C) to the maximum extent possible, funds provided by the Department of Defense, or any element of the Department, to—

(i) mature the technology or process prior to transition to the Manufacturing Technology Program; and

(ii) fully implement the technology or process;

(4) the total value of industry cost share, if applicable; and

(5) the total value of cost avoidance or cost savings directly attributable to the implementation of the technology or process.

(c) DEFINITION.—For purposes of this section, the term "implementation" refers to—

(1) the use of a technology or process in the manufacture of defense materiel;

(2) the identification of a technology or process in the manufacturing baseline for a program of record that has not yet achieved full rate production; or

(3) the use of a technology or process for the manufacture of commercial items.

(d) SCOPE.—The report shall include technologies or processes developed with funds appropriated or otherwise made available for Manufacturing Technology for fiscal years 2002 through 2007.

SEC. 236. ASSESSMENT OF SUFFICIENCY OF TEST AND EVALUATION PERSONNEL.

(a) ASSESSMENT REQUIRED.—The Director of Operational Test and Evaluation shall assess whether the Director's professional staff meets the requirement of section 139(j) of title 10, United States Code, that the staff be sufficient to carry out the Director's duties and responsibilities.

(b) INCLUSION IN REPORT.—The Director shall include the results of the assessment in the report, required by section 139(g) of title 10, United States Code, summarizing the operational test and evaluation activities during fiscal year 2007.

SEC. 237. REPEAL OF REQUIREMENT FOR SEPARATE REPORTS ON TECHNOLOGY AREA REVIEW AND ASSESSMENT SUMMARIES.

Subsection (c) of section 253 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163; 119 Stat. 3179; 10 U.S.C. 2501 note) is repealed.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Other Department of Defense Programs.

Subtitle B—Environmental Provisions

Sec. 311. Reimbursement of Environmental Protection Agency for certain costs in connection with Moses Lake Wellfield Superfund Site, Moses Lake, Washington.
Sec. 312. Reimbursement of Environmental Protection Agency for certain costs in connection with Arctic Surplus Superfund Site, Fairbanks, Alaska.
Sec. 313. Payment to Environmental Protection Agency of stipulated penalty in connection with Jackson Park Housing Complex, Washington.

Subtitle C—Workplace and Depot Issues

Sec. 321. Increase in threshold amount for contracts for procurement of capital assets in advance of availability of working-capital funds for the procurement.
Sec. 322. Authorization of availability of working-capital funds for certain product improvements.
Sec. 323. Authorization of use of working-capital funds for acquisition of certain items.
Sec. 324. Modification to public-private competition requirements before conversion to contractor performance.

Sec. 325. Public-private competition at end of period specified in performance agreement not required.
Sec. 326. Guidelines on insourcing new and contracted out functions.
Sec. 327. Additional requirements for annual report on public-private competitions.
Sec. 328. Restriction on Office of Management and Budget influence over Department of Defense public-private competitions.
Sec. 329. Bid Protests by Federal Employees in actions under Office of Management Budget Circular A-76.
Sec. 330. Public-private competition required before conversion to contractor performance.
Sec. 331. Reauthorization and modification of multi-trades demonstration project.

Subtitle D—Extension of Program Authorities

Sec. 341. Extension of Arsenal Support Program Initiative.
Sec. 342. Extension of period for reimbursement for helmet pads purchased by members of the Armed Forces deployed in contingency operations.

Subtitle E—Reports

Sec. 351. Inclusion of National Guard readiness for civil support missions in quarterly personnel and unit readiness report.
Sec. 352. Plan to improve readiness of active and reserve component ground forces.
Sec. 353. Plan for optimal use of strategic ports by commander of Surface Distribution and Deployment Command.
Sec. 354. Independent assessment of Civil Reserve Air Fleet viability.
Sec. 355. Annual report on prepositioned materiel and equipment.
Sec. 356. Conditions on relocation of North American Aerospace Defense command center and related functions from Cheyenne Mountain to Peterson Air Force Base.
Sec. 357. Report on public-private partnerships.

Subtitle F—Other Matters

Sec. 361. Authority for Department of Defense to provide support for certain sporting events.
Sec. 362. Reasonable restrictions on payment of full replacement value for lost or damaged personal property transported at Government expense.
Sec. 363. Priority transportation on Department of Defense aircraft of retired members residing in Commonwealths and possessions of the United States for certain health care services.
Sec. 364. Recovery of missing military property.
Sec. 365. Retention of Army combat uniforms by members of Army deployed in support of contingency operations.
Sec. 366. Issue of serviceable material other than to Armed Forces.
Sec. 367. Prohibition on deactivation of 36th Rescue Flight.
Sec. 368. Limitation on expenditure of funds for initial flight screening at Pueblo Memorial Airport.

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2008 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $28,868,671,000.

(2) For the Navy, $33,138,090,000.

(3) For the Marine Corps, $4,923,993,000.

(4) For the Air Force, $33,393,333,000.

(5) For Defense-wide activities, $22,732,978,000.

(6) For the Army Reserve, $2,508,062,000.

(7) For the Naval Reserve, $1,182,883,000.

(8) For the Marine Corps Reserve, $208,637,000.

(9) For the Air Force Reserve, $2,692,077,000.

(10) For the Army National Guard, $5,845,809,000.

(11) For the Air National Guard, $5,044,365,000.

(12) For the United States Court of Appeals for the Armed Forces, $11,971,000.

(13) For Environmental Restoration, Army, $434,879,000.

(14) For Environmental Restoration, Navy, $300,591,000.

(15) For Environmental Restoration, Air Force, $458,428,000.

(16) For Environmental Restoration, Defense-wide, $12,751,000.

(17) For Environmental Restoration, Formerly Used Defense Sites, $250,249,000.

(18) For Overseas Humanitarian, Disaster, and Civic Aid programs, $103,300,000.

(19) For Cooperative Threat Reduction programs, $398,000,000.

(20) For the Overseas Contingency Operations Transfer Fund, $5,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2008 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $102,000,000.

(2) For the National Defense Sealift Fund, $1,535,194,000.

(3) For the Defense Working Capital Fund, Defense Commissary, $1,250,000,000.

SEC. 303. OTHER DEPARTMENT OF DEFENSE PROGRAMS.

(a) DEFENSE HEALTH PROGRAM.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2008 for expenses, not otherwise provided for, for the Defense Health Program, in the amount of $22,471,047,000, of which—

(1) $21,974,304,000 is for Operation and Maintenance;

(2) $134,482,000 is for Research, Development, Test, and Evaluation; and

(3) $362,261,000 is for Procurement.

(b) CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE.—(1) Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2008 for expenses, not otherwise provided for, for Chemical Agents and Munitions Destruction, Defense, in the amount of $1,455,724,000, of which—

(A) $1,162,452,000 is for Operation and Maintenance;

(B) $274,846,000 is for Research, Development, Test, and Evaluation; and

(C) $18,426,000 is for Procurement.

(2) Amounts authorized to be appropriated under paragraph (1) are authorized for—

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

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

(c) DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE-WIDE.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2008 for expenses, not otherwise provided for, for Drug Interdiction and Counter-Drug Activities, Defense-wide, in the amount of $936,822,000.

(d) DEFENSE INSPECTOR GENERAL.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2008 for expenses, not otherwise provided for, for the Office of the Inspector General of the Department of Defense, in the amount of $215,995,000, of which—

(1) $214,995,000 is for Operation and Maintenance; and

(2) $1,000,000 is for Procurement.

Subtitle B—Environmental Provisions

SEC. 311. REIMBURSEMENT OF ENVIRONMENTAL PROTECTION AGENCY FOR CERTAIN COSTS IN CONNECTION WITH MOSES LAKE WELLFIELD SUPERFUND SITE, MOSES LAKE, WASHINGTON.

(a) AUTHORITY TO REIMBURSE.—Notwithstanding section 2215 of title 10, United States Code, the Secretary of Defense may transfer not more than $91,588.51 to the Moses Lake Wellfield Superfund Site 10–6J Special Account for the purpose described in section 315(a)(2) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 110–364; 120 Stat. 2141).

(b) SOURCE OF FUNDS.—Any payment under subsection (a) shall be made using funds authorized to be appropriated by section 301(16) for environmental restoration, defense-wide.

SEC. 312. REIMBURSEMENT OF ENVIRONMENTAL PROTECTION AGENCY FOR CERTAIN COSTS IN CONNECTION WITH ARCTIC SURPLUS SUPERFUND SITE, FAIRBANKS, ALASKA.

(a) AUTHORITY TO REIMBURSE.—Notwithstanding section 2215 of title 10, United States Code, the Secretary of Defense may transfer not more than $186,625.38 to the

Hazardous Substance Superfund to reimburse the Environmental Protection Agency for costs incurred pursuant to the agreement known as "In the Matter of Arctic Surplus Superfund Site, U.S. EPA Docket Number CERCLA–10–2003–0114: Administrative Order on Consent for Remedial Design and Remedial Action" and entered into by the Department of Defense and the Environmental Protection Agency on December 11, 2003.

(b) SOURCE OF FUNDS.—Any payment under subsection (a) shall be made using funds authorized to be appropriated by section 301(16) for environmental restoration, defense-wide.

SEC. 313. PAYMENT TO ENVIRONMENTAL PROTECTION AGENCY OF STIPULATED PENALTY IN CONNECTION WITH JACKSON PARK HOUSING COMPLEX, WASHINGTON.

(a) PAYMENT REQUIRED.—Notwithstanding section 2215 of title 10, United States Code, the Secretary of the Navy may transfer not more than $40,000.00 to the Hazardous Substance Superfund to pay a stipulated penalty assessed by the Environmental Protection Agency on October 25, 2005, against the Jackson Park Housing Complex, Washington, for the failure of the Department of the Navy to timely submit a draft final Phase II Remedial Investigation Work Plan for the Jackson Park Housing Complex Op-

erable Unit (OU–3T–JPHC) pursuant to a schedule included in an agreement entered into by the Department of the Navy and the Environmental Protection Agency (U.S. EPA Docket Number CERCLA–10–2005–0023).

(b) SOURCE OF FUNDS.—Any payment under subsection (a) shall be made using funds authorized to be appropriated by section 301(14) for environmental restoration, Navy.

Subtitle C—Workplace and Depot Issues

SEC. 321. INCREASE IN THRESHOLD AMOUNT FOR CONTRACTS FOR PROCUREMENT OF CAPITAL ASSETS IN ADVANCE OF AVAILABILITY OF WORKING-CAPITAL FUNDS FOR THE PROCUREMENT.

Section 2208(k)(2) of title 10, United States Code, is amended by striking "$100,000" and inserting "$250,000".

SEC. 322. AUTHORIZATION OF AVAILABILITY OF WORKING-CAPITAL FUNDS FOR CERTAIN PRODUCT IMPROVEMENTS.

Section 2208 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(s) PRODUCT IMPROVEMENT.—(1) An engineering service, manufacturing effort, developmental testing, or operational test and evaluation effort for product improve-

ment of a weapon system platform, major end item, component of a major end item, or article that is financed by a working-capital fund may be performed or acquired, if—

"(A) the combined cost of the engineering services, manufacturing efforts, development testings, and operational test and evaluation efforts for the product improvements that are financed by the working-capital fund is less than $15,000,000;

"(B) the unit cost of the platform, item, component, or article is less than $1,000,000; and

"(C) the product improvement would improve the reliability and maintainability, extend the useful life, enhance safety, lower maintenance costs, provide performance enhancement, or expand the performance capability of the weapon system platform or major end item.

"(2) Funds described in paragraph (1) may be used in accordance with that paragraph for a commercial or industrial type function performed as part of a public-private partnership at the Center of Industrial and Technical Excellence designated under section 2474 of this title.

"(3) Each report submitted under subsection (q) for a working-capital fund shall include a description of any use of funds described in paragraph (1) that is financed by that working-capital fund and a description of the an-

ticipated product improvement under subparagraph (C) of that paragraph.".

SEC. 323. AUTHORIZATION OF USE OF WORKING-CAPITAL FUNDS FOR ACQUISITION OF CERTAIN ITEMS.

Section 2208 of title 10, United States Code, as amended by section 332, is further amended by adding at the end the following new subsection:

"(t) ACQUISITION THRESHOLD FOR WEAPONS SYSTEM MODIFICATION, IMPROVEMENT AND LIFECYCLE EXTENSION.— (1) Any of the following items may be provided through working-capital funds, if the item has a unit cost of not more than $500,000:

"(A) An item that is materiel for supplies or supply chain management, assemblies, spare or repair parts, modification kits, or any other item of equipment to provide maintenance, repair, or overhaul and rework.

"(B) An item for continuous technology refreshment to provide newer technologies that improve reliability and maintainability, extend the useful life, enhance safety, lower maintenance costs, provide performance enhancement, or expand the performance capability of a weapons system platform.

"(2) With respect to an item described in paragraph (1), the Secretary of each military department may increase

the acquisition threshold under paragraph (1) to an amount that does not exceed $1,000,000, if the Secretary—

"(A) determines the increase is necessary to maintain core logistics capabilities required by section 2464 of this title; and

"(B) not later than 30 days after such an increase, notifies Congress of the increase and the reasons for the increase.

"(3) An item described in paragraph (1) may be an item used for a commercial- or industrial-type function performed at a Center of Industrial and Technical Excellence designated under section 2474 of this title.".

SEC. 324. MODIFICATION TO PUBLIC-PRIVATE COMPETITION REQUIREMENTS BEFORE CONVERSION TO CONTRACTOR PERFORMANCE.

(a) COMPARISON OF RETIREMENT SYSTEM COSTS.—Section 2461(a)(1) of title 10, United States Code is amended—

(1) in subparagraph (F), by striking "and" at the end;

(2) by redesignating subparagraph (G) as subparagraph (H); and

(3) by inserting after subparagraph (F) the following new subparagraph (G):

"(G) requires that the contractor shall not receive an advantage for a proposal that would reduce costs for the Department of Defense by—

"(i) not making an employer-sponsored health insurance plan (or payment that could be used in lieu of such a plan), health savings account, or medical savings account, available to the workers who are to be employed to perform the function under the contract;

"(ii) offering to such workers an employer-sponsored health benefits plan that requires the employer to contribute less towards the premium or subscription share than the amount that is paid by the Department of Defense for health benefits for civilian employees of the Department under chapter 89 of title 5; or

"(iii) offering to such workers a retirement benefit that, in any year, costs less than the annual retirement cost factor applicable to civilian employees of the Department of Defense under chapter 84 of title 5; and".

(b) CONFORMING AMENDMENTS.—Such title is further amended—

(1) by striking section 2467; and

(2) in section 2461—

(A) by redesignating subsections (b) through (d) as subsections (c) through (e); and

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

"(b) REQUIREMENT TO CONSULT DOD EMPLOYEES.—(1) Each officer or employee of the Department of Defense responsible for determining under Office of Management and Budget Circular A-76 whether to convert to contractor performance any function of the Department of Defense—

"(A) shall, at least monthly during the development and preparation of the performance work statement and the management efficiency study used in making that determination, consult with civilian employees who will be affected by that determination and consider the views of such employees on the development and preparation of that statement and that study; and

"(B) may consult with such employees on other matters relating to that determination.

"(2)(A) In the case of employees represented by a labor organization accorded exclusive recognition under section 7111 of title 5, consultation with representatives of that labor organization shall satisfy the consultation requirement in paragraph (1).

"(B) In the case of employees other than employees referred to in subparagraph (A), consultation with appropriate representatives of those employees shall satisfy the consultation requirement in paragraph (1).

"(C) The Secretary of Defense shall prescribe regulations to carry out this subsection. The regulations shall include provisions for the selection or designation of appropriate representatives of employees referred to in paragraph (2)(B) for purposes of consultation required by paragraph (1)".

(c) TECHNICAL AMENDMENTS.—Section 2461 of such title, as amended by subsection (a) is further amended—

(1) in subsection (a)(1)—

(A) in subparagraph (B), by inserting after "2003" the following: ", or any successor circular"; and

(B) in subparagraph (D), by striking "and reliability" and inserting ", reliability, and timeliness"; and

(2) in subsection (c)(2), as redesignated under subsection (b)(2), by inserting "of" after "examination".

SEC. 325. PUBLIC-PRIVATE COMPETITION AT END OF PERIOD SPECIFIED IN PERFORMANCE AGREEMENT NOT REQUIRED.

Section 2461(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) A public-private competition may not be required under Office of Management and Budget Circular A-76 or any other provision of law at the end of the period specified in the performance agreement for any function of the Department of Defense performed by Department of Defense civilian employees.".

SEC. 326. GUIDELINES ON INSOURCING NEW AND CONTRACTED OUT FUNCTIONS.

(a) CODIFICATION AND REVISION OF REQUIREMENT FOR GUIDELINES.—

(1) IN GENERAL.—Chapter 146 of title 10, United States Code, is amended by inserting after section 2462 the following new section:

"§ 2463. Guidelines for use of civilian employees to perform Department of Defense functions

"(a) GUIDELINES REQUIRED.—The Under Secretary of Defense for Personnel and Readiness shall devise and implement guidelines to ensure that consideration is given to using, on a regular basis, civilian employees of the Department of Defense to perform new functions and functions

that are performed by contractors and could be performed by such civilian employees. The Secretary of a military department may prescribe regulations, if the Secretary determines such regulations are necessary for implementing such guidelines within that military department.

"(b) SPECIAL CONSIDERATION FOR CERTAIN FUNCTIONS.—The guidelines implemented under subsection (a) shall provide for special consideration to be given to using civilian employees of the Department of Defense to perform any function that—

"(1) was performed by a civilian employee of the Department of Defense at any time on or after October 1, 1980;

"(2) is associated with the performance of an inherently governmental function (as that term is defined in section 5 of the Federal Activities Inventory Reform Act of 1998 (31 U.S.C. 501 note));

"(3) has been performed by a contractor pursuant to a contract awarded on a non-competitive basis; or

"(4) has been performed poorly by a contractor because of excessive costs or inferior quality, as determined by a contracting officer.

"(c) EXCLUSION OF CERTAIN FUNCTIONS FROM COMPETITIONS.—No public-private competition may be re-

quired under this chapter for any function of the Department of Defense that—

"(1) is associated with the performance of an inherently governmental function;

"(2) has been performed by a contractor pursuant to a contract that was awarded on a noncompetitive basis, including a contract awarded without the conduct of a public-private competition under this section; or

"(3) has been performed poorly by a contractor because of excessive costs or inferior quality, as determined by a contracting officer.

"(d) LIMITATION ON COMPETITIONS FOR NEW AND EXPANDED FUNCTIONS.—(1) A public-private competition may not be conducted under this section for any Department of Defense function before—

"(A) the commencement of the performance by civilian employees of the Department of Defense of a new Department of Defense function;

"(B) the commencement of the performance by civilian employees of the Department of Defense of any Department of Defense function pursuant to the guidelines implemented under subsection (a);

"(C) the expansion of the scope of any Department of Defense function performed by civilian employees of the Department of Defense.

"(2) The Secretary may use the flexible hiring authority available to the Secretary under the National Security Personnel System, as established pursuant to section 9902 of title 5 to facilitate the performance by civilian employees of the Department of Defense of functions described in subsection (b).".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2462 the following new item:

"2463. Guidelines for use of civilian employees to perform Department of Defense functions.".

(3) DEADLINE FOR ISSUANCE OF GUIDELINES.—

(A) DEADLINE.—The Secretary of Defense shall implement the guidelines required under section 2463 of title 10, United States Code, as added by paragraph (1), by not later than 60 days after the date of the enactment of this Act.

(B) MORATORIUM ON COMPETITIONS UNTIL GUIDELINES ARE IMPLEMENTED.—No study or competition may be begun or announced pursuant to section 2461 of title 10, United States Code, or otherwise pursuant to Office of Management and Budget Circular A-76 relating to the possible conversion to performance by a contractor of any Department of Defense function

until the guidelines required under section 2463 of such title, as added by paragraph (1) are implemented.

(b) ESTABLISHMENT OF INVENTORY OF WORK PERFORMED BY CONTRACTORS.—Section 115a of title 10, United States Code is amended—

(1) in subsection (a)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; and";

(C) by adding at the end the following new paragraph:

"(3) the estimated manpower requirements of each component of the Department of Defense projected to be met by contractor performance of Department of Defense functions and the estimated funding requirements associated with such contractor performance for the next fiscal year.".

(2) by adding at the end the following new subsection:

"(i) In each report, the Secretary shall include for each military department, combatant command, and major defense organization, a separate report describing contractor performance of Department of Defense functions during the

preceding fiscal year. Chapter 35 of title 44 shall not apply to such report. In each such report, the Secretary shall—

"(1) specify the number of work-year equivalents performed by contractors in performing functions for each Department;

"(2) identify the contracting organization, the component of the Department of Defense administering the contract, and the organization whose requirements are being met through the contractor performance of the function, with an explanation in the event these organizational elements are distinct.

"(3) identify each organization specified under paragraph (2) at the unit level of detail, as maintained in the Department's manpower documentation systems;

"(4) identify the funding source for the contract under which the function is performed by appropriation and operating agency, and the associated funding levels obligated and disbursed for the reported work-year equivalents;

"(5) identify the functions and missions performed by the contractor;

"(6) specify whether the contract for the function was entered into pursuant to a public-private competition; and

"(7) describe the process by which the Department of Defense validates the contractor performance of such functions under section 2463 of this title.".

(c) CONFORMING REPEAL.—The National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163) is amended by striking section 343.

(d) INSPECTOR GENERAL REPORT.—Not later than 90 days after the date of the enactment of this Act, the Inspector General of the Department of Defense shall submit to the congressional defense committees a report on the implementation of this section and the amendments made by this section. The report shall contain the assessment of the Inspector General of whether—

(1) the guidelines required under section 2463(a) of title 10, United States Code, as added by subsection (a), have been implemented;

(2) such guidelines, if developed, conform to the requirements of that section;

(3) a contractor inventory has been established pursuant to subsections (a)(3) and (i) of section 115a of such title, as added by subsection (b);

(4) functions for which the performance of which the Secretary of Defense has entered into a contract are being reviewed on a regular basis for possible con-

version to performance by civilian employees of the Department of Defense; and

(5) performance by civilian employees of the Department of Defense is being considered to the maximum extent practicable for all new functions of the Department of Defense.

SEC. 327. ADDITIONAL REQUIREMENTS FOR ANNUAL REPORT ON PUBLIC-PRIVATE COMPETITIONS.

Paragraph (1) of subsection (b) of section 2462 is amended by adding at the end the following new paragraphs:

"(4) For any function converted to performance by a contractor, the effect of such conversion on the quality of the performance of the function.

"(5) For any function for which a public-private competition is anticipated during any subsequent fiscal year, an assessment of whether any method of business reform or reengineering other than a public-private competition, including a decision to consolidate, restructure, or reengineer an organization, function, or activity covered under section 2475 of this title, could, if implemented in the future, achieve any anticipated or budgeted savings.".

SEC. 328. RESTRICTION ON OFFICE OF MANAGEMENT AND BUDGET INFLUENCE OVER DEPARTMENT OF DEFENSE PUBLIC-PRIVATE COMPETITIONS.

(a) RESTRICTION ON OFFICE OF MANAGEMENT AND BUDGET.—The Office of Management and Budget may not direct or require the Secretary of Defense or the Secretary of a military department to prepare for, undertake, continue, or complete a public-private competition or direct conversion of a Department of Defense function to performance by a contractor under Office of Management and Budget Circular A-76, or any other successor regulation, directive, or policy.

(b) RESTRICTION ON SECRETARY OF DEFENSE.—The Secretary of Defense or the Secretary of a military department may not prepare for, undertake, continue, or complete a public-private competition or direct conversion of a Department of Defense function to performance by a contractor under Office of Management and Budget Circular A-76, or any other successor regulation, directive, or policy by reason of any direction or requirement provided by the Office of Management and Budget.

(c) SUSPENSION AND REVIEW OF ONGOING PUBLIC-PRIVATE COMPETITIONS.—

(1) SUSPENSION.—During the 90-day period that begins on the date of the enactment of this Act, the Secretary of Defense shall suspend any review or

public-private competition pursuant to Office of Management and Budget Circular A-76 that is being carried out on the date of the enactment of this Act.

(2) REVIEW.—During the 90-day period described in paragraph (1), the Secretary of Defense shall review each suspended review and public-private competition and shall determine, wholly independently and without regard to direction, guidance, encouragement, or requirement from the Office of Management and Budget, whether to cancel or continue each review or public-private competition.

(3) CRITERIA FOR CONTINUATION.—The Secretary of Defense may not continue a review or public-private competition pursuant to a determination under paragraph (2) unless the official responsible for the performance of the function and the Secretary of the military department concerned or agency head submits to the congressional defense committees a certification that the determination was made wholly independently and without regard to direction, guidance, encouragement, or requirement from the Office of Management and Budget and after considering less costly and controversial alternatives to such review or public-private competition.

SEC. 329. BID PROTESTS BY FEDERAL EMPLOYEES IN ACTIONS UNDER OFFICE OF MANAGEMENT BUDGET CIRCULAR A-76.

(a) ELIGIBILITY TO PROTEST PUBLIC-PRIVATE COMPETITIONS.—Section 3551(2) of title 31, United States Code, is amended to read as follows:

"(2) The term 'interested party'—

"(A) with respect to a contract or a solicitation or other request for offers described in paragraph (1), means an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of the contract or by failure to award the contract; and

"(B) with respect to a public-private competition conducted under Office of Management and Budget Circular A-76 with respect to the performance of an activity or function of a Federal agency, or a decision to convert a function performed by Federal employees to private sector performance without a competition under Office of Management and Budget Circular A-76, includes—

"(i) any official who submitted the agency tender in such competition; and

"(ii) any one individual who, for the purpose of representing the Federal employ-

ees engaged in the performance of the activity or function for which the public-private competition is conducted in a protest under this subchapter that relates to such public-private competition, has been designated as the agent of the Federal employees by a majority of such employees.".

(b) EXPEDITED ACTION.—

(1) IN GENERAL.—Subchapter V of chapter 35 of such title is amended by adding at the end the following new section:

"SEC. 3557. EXPEDITED ACTION IN PROTESTS OF PUBLIC-PRIVATE COMPETITIONS.

"For any protest of a public-private competition conducted under Office of Management and Budget Circular A-76 with respect to the performance of an activity or function of a Federal agency, the Comptroller General shall administer the provisions of this subchapter in the manner best suited for expediting the final resolution of the protest and the final action in the public-private competition.".

(2) CLERICAL AMENDMENT.—The chapter analysis at the beginning of such chapter is amended by inserting after the item relating to section 3556 the following new item:

"3557. Expedited action in protests of public-private competitions.".

(b) RIGHT TO INTERVENE IN CIVIL ACTION.—Section 1491(b) of title 28, United States Code, is amended by adding at the end the following new paragraph:

"(5) If an interested party who is a member of the private sector commences an action described in paragraph (1) with respect to a public-private competition conducted under Office of Management and Budget Circular A-76 regarding the performance of an activity or function of a Federal agency, or a decision to convert a function performed by Federal employees to private sector performance without a competition under Office of Management and Budget Circular A-76, then an interested party described in section 3551(2)(B) of title 31 shall be entitled to intervene in that action.".

(c) APPLICABILITY.—Subparagraph (B) of section 3551(2) of title 31, United States Code (as added by subsection (a)), and paragraph (5) of section 1491(b) of title 28, United States Code (as added by subsection (c)), shall apply to—

(1) a protest or civil action that challenges final selection of the source of performance of an activity or function of a Federal agency that is made pursuant to a study initiated under Office of Management

and Budget Circular A-76 on or after January 1, 2004; and

(2) any other protest or civil action that relates to a public-private competition initiated under Office of Management and Budget Circular A-76, or to a decision to convert a function performed by Federal employees to private sector performance without a competition under Office of Management and Budget Circular A-76, on or after the date of the enactment of this Act.

SEC. 330. PUBLIC-PRIVATE COMPETITION REQUIRED BEFORE CONVERSION TO CONTRACTOR PERFORMANCE.

(a) IN GENERAL.—The Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.) is amended by adding at the end the following new section:

"SEC. 43. PUBLIC-PRIVATE COMPETITION REQUIRED BEFORE CONVERSION TO CONTRACTOR PERFORMANCE.

"(a) PUBLIC-PRIVATE COMPETITION.—(1) A function of an executive agency performed by 10 or more agency civilian employees may not be converted, in whole or in part, to performance by a contractor unless the conversion is based on the results of a public-private competition that—

"(A) formally compares the cost of performance of the function by agency civilian employees with the cost of performance by a contractor;

"(B) creates an agency tender, including a most efficient organization plan, in accordance with Office of Management and Budget Circular A-76, as implemented on May 29, 2003, or any successor circular;

"(C) includes the issuance of a solicitation;

"(D) determines whether the submitted offers meet the needs of the executive agency with respect to factors other than cost, including quality, reliability, and timeliness;

"(E) examines the cost of performance of the function by agency civilian employees and the cost of performance of the function by one or more contractors to demonstrate whether converting to performance by a contractor will result in savings to the Government over the life of the contract, including—

"(i) the estimated cost to the Government (based on offers received) for performance of the function by a contractor;

"(ii) the estimated cost to the Government for performance of the function by agency civilian employees; and

"(iii) an estimate of all other costs and expenditures that the Government would incur because of the award of such a contract;

"(F) requires continued performance of the function by agency civilian employees unless the difference in the cost of performance of the function by a contractor compared to the cost of performance of the function by agency civilian employees would, over all performance periods required by the solicitation, be equal to or exceed the lesser of—

"(i) 10 percent of the personnel-related costs for performance of that function in the agency tender; or

"(ii) $10,000,000; and

"(G) examines the effect of performance of the function by a contractor on the agency mission associated with the performance of the function.

"(2) A function that is performed by the executive agency and is reengineered, reorganized, modernized, upgraded, expanded, or changed to become more efficient, but still essentially provides the same service, shall not be considered a new requirement.

"(3) In no case may a function being performed by executive agency personnel be—

"(A) modified, reorganized, divided, or in any way changed for the purpose of exempting the conversion of the function from the requirements of this section; or

"(B) converted to performance by a contractor to circumvent a civilian personnel ceiling.

"(b) REQUIREMENT TO CONSULT EMPLOYEES.—(1) Each civilian employee of an executive agency responsible for determining under Office of Management and Budget Circular A-76 whether to convert to contractor performance any function of the executive agency—

"(A) shall, at least monthly during the development and preparation of the performance work statement and the management efficiency study used in making that determination, consult with civilian employees who will be affected by that determination and consider the views of such employees on the development and preparation of that statement and that study; and

"(B) may consult with such employees on other matters relating to that determination.

"(2)(A) In the case of employees represented by a labor organization accorded exclusive recognition under section 7111 of title 5, consultation with representatives of that

labor organization shall satisfy the consultation requirement in paragraph (1).

"(B) In the case of employees other than employees referred to in subparagraph (A), consultation with appropriate representatives of those employees shall satisfy the consultation requirement in paragraph (1).

"(C) The head of each executive agency shall prescribe regulations to carry out this subsection. The regulations shall include provisions for the selection or designation of appropriate representatives of employees referred to in paragraph (2)(B) for purposes of consultation required by paragraph (1).

"(c) CONGRESSIONAL NOTIFICATION.—(1) Before commencing a public-private competition under subsection (a), the head of an executive agency shall submit to Congress a report containing the following:

"(A) The function for which such public-private competition is to be conducted.

"(B) The location at which the function is performed by agency civilian employees.

"(C) The number of agency civilian employee positions potentially affected.

"(D) The anticipated length and cost of the public-private competition, and a specific identification of the budgetary line item from which funds will be

used to cover the cost of the public-private competition.

"(E) A certification that a proposed performance of the function by a contractor is not a result of a decision by an official of an executive agency to impose predetermined constraints or limitations on such employees in terms of man years, end strengths, full-time equivalent positions, or maximum number of employees.

"(2) The report required under paragraph (1) shall include an examination of the potential economic effect of performance of the function by a contractor on—

"(A) agency civilian employees who would be affected by such a conversion in performance; and

"(B) the local community and the Government, if more than 50 agency civilian employees perform the function.

"(3)(A) A representative individual or entity at a facility where a public-private competition is conducted may submit to the head of the executive agency an objection to the public private competition on the grounds that the report required by paragraph (1) has not been submitted or that the certification required by paragraph (1)(E) is not included in the report submitted as a condition for the public private

competition. The objection shall be in writing and shall be submitted within 90 days after the following date:

"(i) In the case of a failure to submit the report when required, the date on which the representative individual or an official of the representative entity authorized to pose the objection first knew or should have known of that failure.

"(ii) In the case of a failure to include the certification in a submitted report, the date on which the report was submitted to Congress.

"(B) If the head of the executive agency determines that the report required by paragraph (1) was not submitted or that the required certification was not included in the submitted report, the function for which the public-private competition was conducted for which the objection was submitted may not be the subject of a solicitation of offers for, or award of, a contract until, respectively, the report is submitted or a report containing the certification in full compliance with the certification requirement is submitted.

"(d) EXEMPTION FOR THE PURCHASE OF PRODUCTS AND SERVICES OF THE BLIND AND OTHER SEVERELY HANDICAPPED PERSONS.—This section shall not apply to

a commercial or industrial type function of an executive agency that—

"(1) is included on the procurement list established pursuant to section 2 of the Javits-Wagner-O'Day Act (41 U.S.C. 47); or

"(2) is planned to be changed to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped persons in accordance with that Act.

"(e) INAPPLICABILITY DURING WAR OR EMERGENCY.—The provisions of this section shall not apply during war or during a period of national emergency declared by the President or Congress.".

(b) CLERICAL AMENDMENT.—The table of sections in section 1(b) of such Act is amended by adding at the end the following new item:

"Sec. 43. Public-private competition required before conversion to contractor performance.".

SEC. 331. REAUTHORIZATION AND MODIFICATION OF MULTI-TRADES DEMONSTRATION PROJECT.

(a) REAUTHORIZATION AND EXPANSION.—Section 338 of the National Defense Authorization Act for Fiscal Year 2004 (10 U.S.C. 5013 note) is amended—

(1) in subsection (a)—

(A) by striking "shall" and inserting "may"; and

(B) by striking "three Naval Aviation Depots" and inserting "the Air Force Air Logistics Centers and the Navy Fleet Readiness Centers";

(2) in subsection (b), by striking "a Naval Aviation Depot" and inserting "an Air Force Air Logistics Center or Navy Fleet Readiness Center";

(3) by striking subsection (d) and redesignating subsections (e) through (g) as subsections (d) through (f), respectively;

(4) in subsection (d), as so redesignated, by striking "2004 through 2006" and inserting "2008 through 2013";

(5) in subsection (e), as so redesignated, by striking "2007" and inserting "2014"; and

(6) by amending subsection (f), as so redesignated, to read as follows:

"(f) ANNUAL GAO REPORT.—By not later than 30 days after the last day of a fiscal year, the Comptroller General shall submit to the congressional defense committees a report on the demonstration project under this section.".

(b) CLERICAL AMENDMENTS.—

*(1) HEADING.—The heading for such section is amended to read as follows: "**AIR FORCE AIR LOGISTICS CENTER AND NAVY FLEET READINESS***

CENTER MULTI-TRADES DEMONSTRATION PROJECT".

(2) TABLE OF CONTENTS.—The items relating to such section in the table of contents in section 2(b) of such Act and in the table of contents at the beginning of title III of such Act are each amended to read as follows:

"Sec. 338. Air Force Logistics Center and Navy Fleet Readiness Center multi-trades demonstration project.".

Subtitle D—Extension of Program Authorities

SEC. 341. EXTENSION OF ARSENAL SUPPORT PROGRAM INITIATIVE.

Section 343 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398; 10 U.S.C. 4551 note) is amended—

(1) in subsection (a), by striking "2008" and inserting "2010"; and

(2) in subsection (g)(1), by striking "2008" and inserting "2010".

SEC. 342. EXTENSION OF PERIOD FOR REIMBURSEMENT FOR HELMET PADS PURCHASED BY MEMBERS OF THE ARMED FORCES DEPLOYED IN CONTINGENCY OPERATIONS.

(a) EXTENSION.—Section 351 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1857) is amended—

(1) in subsection (a)(3), by inserting before the period at the end the following: ", or in the case of protective helmet pads purchased by a member from a qualified vendor for that member's personal use, on September 30, 2007";

(2) in subsection (c)—

(A) by inserting after "Armed Forces" the following: "shall comply with regular Department of Defense procedures for the submission of claims and"; and

(B) by inserting before the period at the end the following: "or one year after the date on which the purchase of the protective, safety, or health equipment was made, whichever occurs last"; and

(3) in subsection (d), by adding at the end the following new sentence: "Subsection (a)(1) shall not apply in the case of the purchase of protective helmet pads by or on behalf of a member.".

(b) FUNDING.—Amounts for reimbursements made under section 351 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 after the date of the enactment of this Act shall be derived from supplemental appropriations for the Department of Defense for fiscal year 2008, contingent upon such appropriations being enacted.

Subtitle E—Reports

SEC. 351. INCLUSION OF NATIONAL GUARD READINESS FOR CIVIL SUPPORT MISSIONS IN QUARTERLY PERSONNEL AND UNIT READINESS REPORT.

(a) INCLUSION.—Section 482 of title 10, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (h);

(2) by inserting after subsection (e) the following new subsections (f) and (g):

"(f) READINESS OF NATIONAL GUARD TO PERFORM CIVIL SUPPORT MISSIONS.—Each report shall also include an assessment of the readiness of the National Guard to perform tasks required to support the National Response Plan for support to civil authorities.

"(g) AVAILABILITY OF NATIONAL GUARD READINESS INFORMATION TO STATES.—With respect to the information required to be included in a report under subsection (f) that

is relevant to the National Guard of a State, the Secretary of Defense shall make that information available to the Governor of the State."; and

(3) in subsection (a), by striking "subsections (b), (d), and (e)" and inserting "subsections (b), (d), (e), and (f)".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to a report submitted after the date of the enactment of this Act.

(c) REPORT TO CONGRESS.—As part of the budget justification materials submitted to Congress in support of the President's budget for fiscal year 2009, the Secretary of Defense shall submit to the congressional defense committees a report on any steps the Secretary has taken to prepare to implement the requirement under subsection (f) of section 482 of title 10, United States Code, as added by subsection (a). The report shall include a description of the Secretary's plans for assessing the personnel, equipment, and training readiness of the National Guard, including the standards and measures that will be applied and mechanisms for sharing information with State Governors.

SEC. 352. PLAN TO IMPROVE READINESS OF ACTIVE AND RESERVE COMPONENT GROUND FORCES.

(a) REPORT REQUIRED.—At the same time that the budget is submitted under section 1105(a) of title 31,

United States Code, for a fiscal year, the Secretary of Defense shall submit to the congressional defense committees a report on improving the readiness of the active and reserve components of the ground forces of the United States Armed Forces. Each such report shall include—

(1) a summary of the readiness of each reporting unit of the active and reserve components of the ground forces and a summary of the readiness of each major combat unit of each military department by readiness level, as reflected in the Department of Defense status of resources and training system;

(2) an identification of the extent to which the actual readiness ratings of the active and reserve components of the United States Armed Forces have been upgraded based on the judgment of commanders and any efforts of the Secretary of Defense to analyze the trends and implications of such upgrades;

(3) the goals of the Secretary of Defense for managing the readiness of the active and reserve components of the ground forces, expressed in terms of the number of units or percentage of the force that the Secretary plans to maintain at each level of readiness, and the Secretary's projected timeframe for achieving each such goal;

(4) a prioritized list of items and actions to be accomplished during the fiscal year during which the report is submitted and during the fiscal years covered by the future years defense program that the Secretary of Defense believes are necessary to significantly improve the readiness of the active and reserve components of the ground forces and achieve the goals and timeframes described in paragraph (3); and

(5) a detailed investment strategy and plan for each fiscal year covered by the future years defense program under section 221 of title 10, United States Code, that outlines the resources required to improve the readiness of the active and reserve components of the ground forces, including a description of how each resource identified in such plan relates to funding requested by the Secretary in the Secretary's annual budget, and how each such resource will specifically enable the Secretary to achieve the readiness goals described in paragraph (3) within the projected timeframes.

(b) COMPTROLLER GENERAL REVIEW.—By not later than 60 days after the date on which the report is submitted under subsection (a), the Comptroller General shall review the report and, as the Comptroller General determines appropriate, submit to the congressional defense committees

any additional information that the Comptroller General determines will further inform the congressional defense committees on issues relating to the readiness of the active and reserve components of the ground forces of the United States Armed Forces.

SEC. 353. PLAN FOR OPTIMAL USE OF STRATEGIC PORTS BY COMMANDER OF SURFACE DISTRIBUTION AND DEPLOYMENT COMMAND.

By not later than January 30, 2008, the Secretary of Defense shall develop and implement a plan to optimize the use of strategic ports by the Surface Distribution and Deployment Command. Such plan shall—

(1) address cost effectiveness, manning requirements, location, and maximization of utilization of resources for each strategic port; and

(2) include—

(A) an analysis of how each Surface Distribution and Deployment Command strategic port is chosen for the worldwide deployment and distribution of Department of Defense supplies, personal property, and personnel; and

(B) provisions for consultation with the local port authority for any strategic port at which there is no permanent Surface Distribution and Deployment Command presence.

SEC. 354. INDEPENDENT ASSESSMENT OF CIVIL RESERVE AIR FLEET VIABILITY.

(a) INDEPENDENT ASSESSMENT REQUIRED.—The Secretary of Defense shall provide for an independent assessment of the viability of the Civil Reserve Air Fleet to be conducted by a federally-funded research and development center selected by the Secretary.

(b) CONTENTS OF ASSESSMENT.—The assessment required by subsection (a) shall include each of the following:

(1) An assessment of the Civil Reserve Air Fleet as of the date of the enactment of this Act, including an assessment of—

(A) the level of increased use of commercial assets to fulfill Department of Defense transportation requirements as a result of the increased global mobility requirements in response to the terrorist attacks of September 11, 2001;

(B) the extent of charter air carrier participation in fulfilling increased Department of Defense transportation requirements as a result of the increased global mobility requirements in response to the terrorist attacks of September 11, 2001;

(C) any policy of the Secretary of Defense to limit the percentage of income a single air carrier participating in the Civil Reserve Air

Fleet may earn under contracts with the Secretary during any calendar year and the effects of such policy on the air carrier industry in peacetime and during periods during which the armed forces are deployed in support of a contingency operation for which the Civil Reserve Air Fleet is not activated; and

(D) any risks to the charter air carrier industry as a result of the expansion of the industry in response to contingency operations resulting in increased demand by the Department of Defense.

(2) A strategic assessment of the viability of the Civil Reserve Air Fleet that compares such viability as of the date of the enactment of this Act with the projected viability of the Civil Reserve Air Fleet five, ten, and 15 years after the date of the enactment of this Act, including for activations at each of stages 1, 2, and 3—

(A) an examination of the requirements of the Department of Defense for Civil Reserve Air Fleet for the support of operational and contingency plans, including any anticipated changes in the Department's organic airlift capacity, lo-

gistics concepts, and personnel and training requirements;

(B) an assessment of air carrier participation in the Civil Reserve Air Fleet; and

(C) a comparison between the requirements of the Department needs described in subparagraph (A) and air carrier participation described in subparagraph (B).

(3) An examination of any perceived barriers to Civil Reserve Air Fleet viability, including—

(A) the operational planning system of the Civil Reserve Air Fleet;

(B) the reward system of the Civil Reserve Air Fleet;

(C) the long-term affordability of the Aviation War Risk Insurance Program;

(D) the effect on United States air carriers operating overseas routes during periods of Civil Reserve Air Fleet Activation;

(E) increased foreign ownership of United States air carriers;

(F) increased operational costs during activation as a result of hazardous duty pay, routing delays, and inefficiencies in cargo handling by the Department of Defense;

(G) the effect of policy initiatives by the Secretary of Transportation to encourage international code sharing and alliances; and

(H) the effect of limitations imposed by the Secretary of Defense to limit commercial shipping options for certain routes and package sizes.

(4) Recommendations for improving the Civil Reserve Air Fleet program.

(c) SUBMISSION TO CONGRESS.—Upon the completion of the assessment required under subsection (a) and by not later than April 1, 2008, the Secretary shall submit to the congressional defense committees a report on the assessment.

(d) COMPTROLLER GENERAL REPORT.—Not later than 90 days after the report is submitted under subsection (c), the Comptroller General shall conduct a review of the assessment required under subsection (a).

SEC. 355. ANNUAL REPORT ON PREPOSITIONED MATERIEL AND EQUIPMENT.

(a) ANNUAL REPORT REQUIRED.—Chapter 131 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2229a. Annual report on prepositioned materiel and equipment

"(a) ANNUAL REPORT REQUIRED.—Not later than the date of the submission of the President's budget request for a fiscal year under section 1105 of title 31, the Secretary of Defense shall submit to the congressional defense committees a report on the status of the materiel in the prepositioned stocks as of the end of the fiscal year preceding the fiscal year during which the report is submitted. Each report shall be unclassified and may contain a classified annex. Each report shall include the following information:

"(1) The level of fill for major end items of equipment and spare parts in each prepositioned set as of the end of the fiscal year covered by the report.

"(2) The material condition of equipment in the prepositioned stocks as of the end of such fiscal year, rated based on the Department of Defense Status of Resources and Training system and grouped by category or major end item.

"(3) A list of major end items of equipment drawn from the prepositioned stocks during such fiscal year and a description of how that equipment was used and whether it was returned to the stocks after being used.

"(4) A timeline for completely reconstituting any shortfall in the prepositioned stocks.

"(5) An estimate of the amount of funds required to completely reconstitute any shortfall in the prepositioned stocks and a description of the Secretary's plan for carrying out such complete reconstitution.

"(6) A list of any operations plan affected by any shortfall in the prepositioned stocks and a description of any action taken to mitigate any risk that such a shortfall may create.

"(b) COMPTROLLER GENERAL REVIEW.—By not later than 60 days after the date on which the report is submitted under subsection (a), the Comptroller General shall review the report and, as the Comptroller General determines appropriate, submit to the congressional defense committees any additional information that the Comptroller General determines will further inform the congressional defense on issues relating to the status of the materiel in the prepositioned stocks.".

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

"2229a. Annual report on prepositioned materiel and equipment.".

SEC. 356. CONDITIONS ON RELOCATION OF NORTH AMERICAN AEROSPACE DEFENSE COMMAND CENTER AND RELATED FUNCTIONS FROM CHEYENNE MOUNTAIN TO PETERSON AIR FORCE BASE.

(a) SUBMISSION OF COST-BENEFIT ANALYSIS AND RELOCATION PLAN.—The Secretary of Defense may not commence the relocation of or, if previously commenced, continue the relocation of the North American Aerospace Defense command center and related functions from Cheyenne Mountain to Peterson Air Force Base, Colorado, until after the end of the 180-day period beginning on the date on which the Secretary submits to Congress a report containing—

(1) an analysis comparing the total costs associated with the relocation, including costs determined as part of ongoing security-related studies of the relocation, to anticipated operational benefits from the relocation; and

(2) the final plans for the relocation of the North American Aerospace Defense command center and related functions.

(b) COMPTROLLER GENERAL REVIEW.—Not later than 60 days after the date on which the Secretary of Defense submits the report required by subsection (a), the Comptroller General shall submit to Congress a review of the re-

port and the final plans of the Secretary for relocation of the North American Aerospace Defense command center and related functions.

SEC. 357. REPORT ON PUBLIC-PRIVATE PARTNERSHIPS.

(a) REPORT REQUIRED.—Not later than April 1, 2008, the Secretary of Defense shall submit to the Committee on Armed Services of the House of Representatives and the Committee of Armed Services of the Senate a report regarding public-private partnerships at Centers of Industrial and Technical Excellence designated under section 2474 of title 10, United States Code.

(b) CONTENTS OF REPORT.—The report required under paragraph (1) shall include a description of each of the following:

(1) Common approaches and procedures for the military departments regarding implementation of public-private partnerships.

(2) Consistent cost methodologies and reimbursement guidance applicable to maintenance and repair workload performed by Federal Government personnel.

(3) Implementation procedures for completing contract negotiations for public-private partnerships within 12 months.

(4) The Secretary's utilization of commercial practices to replace existing inventory and component management, technical publication data, document management, and equipment maintenance, and calibration requirements of the Department of Defense.

(5) Delegation of Class 2 Design authority based on commercial practices to maintain the form, fit, and function of a weapon system platform, major end item, component of a major end item, or article.

(6) The Secretary's plan to expand Department of Defense core capabilities, as defined in section 2464 of such title.

Subtitle F—Other Matters

SEC. 361. AUTHORITY FOR DEPARTMENT OF DEFENSE TO PROVIDE SUPPORT FOR CERTAIN SPORTING EVENTS.

(a) PROVISION OF SUPPORT.—Section 2564 of title 10, United States Code, is amended—

(1) in subsection (c), by adding at the end the following new paragraphs:

"(4) A sporting event sanctioned by the United States Olympic Committee through the Paralympic Military Program.

"(5) Any national or international paralympic sporting event (other than a sporting event described in paragraph (1) through (4))—

"(A) that—

"(i) is held in the United States or any of its territories or commonwealths;

"(ii) is governed by the International Paralympic Committee; and

"(iii) is sanctioned by the United States Olympic Committee; and

"(B) for which participation exceeds 100 amateur athletes."; and

(2) by adding at the end the following new subsection:

"(g) FUNDING FOR SUPPORT OF CERTAIN EVENTS.—(1) Amounts for the provision of support for a sporting event described in paragraph (4) or (5) of subsection (c) shall be derived from the Support for International Sporting Competitions, Defense account established by section 5802 of the Omnibus Consolidated Appropriations Act, 1997 (10 U.S.C. 2564 note), notwithstanding any limitation under that section relating to the availability of funds in such account for the provision of support for international sporting competitions.

"(2) The total amount expended for any fiscal year to provide support for sporting events described in subsection (c)(5) may not exceed $1,000,000.".

(b) SOURCE OF FUNDS.—Section 5802 of the Omnibus Consolidated Appropriations Act, 1997 (10 U.S.C. 2564 note) is amended—

(1) by inserting after "international sporting competitions" the following: "and for support of sporting competitions authorized under section 2564(c)(4) and (5), of title 10, United States Code,"; and

(2) by striking "45 days" and inserting "15 days".

SEC. 362. REASONABLE RESTRICTIONS ON PAYMENT OF FULL REPLACEMENT VALUE FOR LOST OR DAMAGED PERSONAL PROPERTY TRANSPORTED AT GOVERNMENT EXPENSE.

Section 2636a(d) of title 10, United States Code, is amended by adding at the end the following new sentence: "The regulations may include a requirement that a member of the armed forces or civilian employee comply with reasonable restrictions prescribed by the Secretary in order to receive the full amount deducted under subsection (b).".

SEC. 363. PRIORITY TRANSPORTATION ON DEPARTMENT OF DEFENSE AIRCRAFT OF RETIRED MEMBERS RESIDING IN COMMONWEALTHS AND POSSESSIONS OF THE UNITED STATES FOR CERTAIN HEALTH CARE SERVICES.

(a) AVAILABILITY OF TRANSPORTATION.—Chapter 157 of title 10, United States Code, is amended by inserting after section 2641a the following new section:

"§ 2641b. Space-available travel on Department of Defense aircraft: retired members residing in Commonwealths and possessions of the United States for certain health care services

"(a) PRIORITY TRANSPORTATION.—The Secretary of Defense shall provide transportation on Department of Defense aircraft on a space-available basis for any member or former member of the uniformed services described in subsection (b), and a single dependent of the member if needed to accompany the member, at a priority level in the same category as the priority level for an unaccompanied dependent over the age of 18 traveling on environmental and morale leave.

"(b) ELIGIBLE MEMBERS AND FORMER MEMBERS.—A member or former member eligible for priority transport under subsection (a) is a covered beneficiary under chapter 55 of this title who—

"(1) is entitled to retired or retainer pay or, but for age, would be eligible for retired pay under chapter 1223 of this title;

"(2) resides in or is located in a Commonwealth or possession of the United States; and

"(3) is referred by a primary care physician located in that Commonwealth or possession to a specialty care provider for services to be provided outside of that Commonwealth or possession.

"(c) SCOPE OF PRIORITY.—The increased priority for space-available transportation required by subsection (a) applies with respect to both—

"(1) the travel from the Commonwealth or possession of the United States to receive the specialty care services; and

"(2) the return travel.

"(d) DEFINITIONS.—In this section, the term 'specialty care provider' has the meaning given that term in section 1074i(b) of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2641a the following new item:

"2641b. Space-available travel on Department of Defense aircraft: retired members residing in Commonwealths and possessions of the United States for certain health care services.".

SEC. 364. RECOVERY OF MISSING MILITARY PROPERTY.

(a) IN GENERAL.—Chapter 165 of title 10, United States Code, is amended by adding at the end the following new sections:

"§ 2788. Property accountability: regulations

"The Secretary of a military department may prescribe regulations for the accounting for the property of that department and the fixing of responsibility for that property.

"§ 2789. Individual equipment: unauthorized disposition

"(a) PROHIBITION.—No member of the armed forces may sell, lend, pledge, barter, or give any clothing, arms, or equipment furnished to such member by the United States to any person other than a member of the armed forces under the jurisdiction of the Secretary of the same military department as the member to which it is furnished, or an officer of the United States who is authorized to receive it.

"(b) SEIZURE OF IMPROPERLY DISPOSED PROPERTY.—If a member of the armed forces has disposed of property in violation of subsection (a) and the property is in the possession of a person who is neither a member of the armed forces under the jurisdiction of the Secretary of the same military department as the member who disposed of the property, nor an officer of the United States who is

authorized to receive it, that person has no right to or interest in the property, and any civil or military officer of the United States may seize the property, wherever found. Possession of such property furnished by the United States to a member of the armed forces by a person who is neither a member of the armed forces, nor an officer of the United States, is prima facie evidence that the property has been disposed of in violation of subsection (a).

"(c) DELIVERY OF SEIZED PROPERTY.—If an officer who seizes property under subsection (b) is not authorized to retain it for the United States, the officer shall deliver the property to a person who is authorized to retain it.".

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

"2788. Property accountability: regulations.
"2789. Individual equipment: unauthorized disposition.".

(c) CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Such title is further amended by striking the following sections:

(A) Section 4832.

(B) Section 4836.

(C) Section 9832.

(D) Section 9836.

(2) CLERICAL AMENDMENTS.—

(A) CHAPTER 453.—The table of sections at the beginning of chapter 453 of such title is amended by striking the items relating to sections 4832 and 4836.

(B) CHAPTER 953.—The table of sections at the beginning of chapter 953 of such title is amended by striking the items relating to sections 9832 and 9836.

SEC. 365. RETENTION OF ARMY COMBAT UNIFORMS BY MEMBERS OF ARMY DEPLOYED IN SUPPORT OF CONTINGENCY OPERATIONS.

(a) RETENTION OF COMBAT UNIFORMS.—Chapter 435 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4566. Retention of Army combat uniforms by members deployed in support of contingency operations

"The Secretary of the Army may authorize a member of the Army who has been deployed in support of a contingency operation for at least 30 days to retain, after that member is no longer so deployed, the exterior articles of uniform that were issued to that member as part of an Army combat uniform.".

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

"4566. Retention of Army combat uniforms by members deployed in support of contingency operations.".

(c) EFFECTIVE DATE.—Section 4566 of title 10, United States Code, as added by subsection (a), shall apply with respect to a member of the Army who completes a deployment on or after October 1, 2007.

SEC. 366. ISSUE OF SERVICEABLE MATERIAL OTHER THAN TO ARMED FORCES.

(a) IN GENERAL.—Part IV of subtitle C of title 10, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 667—ISSUE OF SERVICEABLE MATERIAL OTHER THAN TO ARMED FORCES

"Sec.
"7911. Arms, tentage, and equipment: educational institutions not maintaining units of R.O.T.C.
"7912. Rifles and ammunition for target practice: educational institutions having corps of midshipmen.
"7913. Supplies: military instruction camps.

"§ 7911. Arms, tentage, and equipment: educational institutions not maintaining units of R.O.T.C

"Under such conditions as he may prescribe, the Secretary of the Navy may issue arms, tentage, and equipment that he considers necessary for proper military training,

to any educational institution at which no unit of the Reserve Officers' Training Corps is maintained, but which has a course in military training prescribed by the Secretary and which has at least 50 physically fit students over 14 years of age.

"§ 7912. Rifles and ammunition for target practice: educational institutions having corps of midshipmen

"(a) AUTHORITY TO LEND.—The Secretary of the Navy may lend, without expense to the United States, magazine rifles and appendages that are not of the existing service models in use at the time and that are not necessary for a proper reserve supply, to any educational institution having a uniformed corps of midshipmen of sufficient number for target practice. He may also issue 40 rounds of ball cartridges for each midshipman for each range at which target practice is held, but not more than 120 rounds each year for each midshipman participating in target practice.

"(b) RESPONSIBILITIES OF INSTITUTIONS.—The institutions to which property is lent under subsection (a) shall—

"(1) use the property for target practice;

"(2) take proper care of the property; and

"(3) return the property when required.

"(c) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section, containing such other requirements as he considers necessary to safeguard the interests of the United States.

"§ 7913. Supplies: military instruction camps

"Under such conditions as he may prescribe, the Secretary of the Navy may issue, to any educational institution at which an officer of the naval service is detailed as professor of naval science, such supplies as are necessary to establish and maintain a camp for the military instruction of its students. The Secretary shall require a bond in the value of the property issued under this section, for the care and safekeeping of that property and except for property properly expended, for its return when required.".

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of subtitle C of such title, and the table of chapters at the beginning of part IV of such subtitle, are each amended by inserting after the item relating to chapter 665 the following new item:

"667. Issue of Serviceable Material Other Than to Armed Forces ..... 7910.".

SEC. 367. PROHIBITION ON DEACTIVATION OF 36TH RESCUE FLIGHT.

The Secretary of Defense shall ensure that no action is taken to deactivate the Air Force unit known as the 36th Rescue Flight that is assigned to Fairchild Air Force Base

in Spokane, Washington, or to reassign or reorganize any of the search and rescue capabilities of that unit.

SEC. 368. LIMITATION ON EXPENDITURE OF FUNDS FOR INITIAL FLIGHT SCREENING AT PUEBLO MEMORIAL AIRPORT.

Of the amounts authorized to be appropriated for initial flight screening at Pueblo Memorial Airport, not more than 50 percent shall be expended until the Secretary of the Air Force submits to the congressional defense committees a certification that the Secretary has developed a plan, together with the City of Pueblo, Colorado, to meet Air Force crash, fire, and rescue requirements to support Air Force flight operations at Pueblo Memorial Airport.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Revision in permanent active duty end strength minimum levels.
Sec. 403. Additional authority for increases of Army and Marine Corps active duty end strengths for fiscal years 2009 and 2010.
Sec. 404. Increase in authorized strengths for Army officers on active duty in the grade of major.
Sec. 405. Increase in authorized strengths for Navy officers on active duty in the grades of lieutenant commander, commander, and captain.

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 2008 limitation on number of non-dual status technicians.
Sec. 415. Maximum number of reserve personnel authorized to be on active duty for operational support.
Sec. 416. Future authorizations and accounting for certain reserve component personnel authorized to be on active duty or full-time National Guard duty to provide operational support.
Sec. 417. Revision of variances authorized for Selected Reserve end strengths.

Sec. 421. Military personnel.
Sec. 422. Armed Forces Retirement Home.
Sec. 423. Offsetting transfers from National Defense Stockpile Transaction Fund.

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

(a) IN GENERAL.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 2008, as follows:

(1) The Army, 525,400.

(2) The Navy, 329,098.

(3) The Marine Corps, 189,000.

(4) The Air Force, 329,651.

(b) LIMITATION.—

(1) ARMY.—The authorized strength for the Army provided in paragraph (1) of subsection (a) for active duty personnel for fiscal year 2008 is subject to the condition that costs of active duty personnel of the Army for that fiscal year in excess of 489,400 shall be paid out of funds authorized to be appropriated for that fiscal year by section 1514.

(2) MARINE CORPS.—The authorized strength for the Marine Corps provided in paragraph (3) of subsection (a) for active duty personnel for fiscal year 2008 is subject to the condition that costs of active duty personnel of the Marine Corps for that fiscal year in excess of 180,000 shall be paid out of funds

authorized to be appropriated for that fiscal year by section 1514.

SEC. 402. REVISION IN PERMANENT ACTIVE DUTY END STRENGTH MINIMUM LEVELS.

Section 691(b) of title 10, United States Code, is amended by striking paragraphs (1) through (4) and inserting the following new paragraphs:

"(1) For the Army, 525,400.

"(2) For the Navy, 329,098.

"(3) For the Marine Corps, 189,000.

"(4) For the Air Force, 329,563.".

SEC. 403. ADDITIONAL AUTHORITY FOR INCREASES OF ARMY AND MARINE CORPS ACTIVE DUTY END STRENGTHS FOR FISCAL YEARS 2009 AND 2010.

(a) AUTHORITY TO INCREASE ARMY ACTIVE DUTY END STRENGTHS.—For each of fiscal years 2009 and 2010, the Secretary of Defense may, as the Secretary determines necessary for the purposes described in subsection (c), establish the active-duty end strength for the Army at a number greater than the number otherwise authorized by law up to the number equal to the fiscal-year 2008 baseline plus 22,000.

(b) MARINE CORPS.—For each of fiscal years 2009 and 2010, the Secretary of Defense may, as the Secretary deter-

mines necessary for the purposes described in subsection (c), establish the active-duty end strength for the Marine Corps at a number greater than the number otherwise authorized by law up to the number equal to the fiscal-year 2008 baseline plus 13,000.

(c) PURPOSE OF INCREASES.—The purposes for which increases may be made in Army and Marine Corps active duty end strengths under this section are—

(1) to support operational missions; and

(2) to achieve transformational reorganization objectives, including objectives for increased numbers of combat brigades and battalions, increased unit manning, force stabilization and shaping, and rebalancing of the active and reserve component forces.

(d) RELATIONSHIP TO PRESIDENTIAL WAIVER AUTHORITY.—Nothing in this section shall be construed to limit the President's authority under section 123a of title 10, United States Code, to waive any statutory end strength in a time of war or national emergency.

(e) RELATIONSHIP TO OTHER VARIANCE AUTHORITY.—The authority under this section is in addition to the authority to vary authorized end strengths that is provided in subsections (e) and (f) of section 115 of title 10, United States Code.

(f) BUDGET TREATMENT.—

(1) FISCAL YEARS 2009 AND 2010 BUDGETS.—The budget for the Department of Defense for fiscal years 2009 and 2010 as submitted to Congress shall comply, with respect to funding, with subsections (c) and (d) of section 691 of title 10, United States Code.

(2) OTHER INCREASES.—If the Secretary of Defense plans to increase the Army or Marine Corps active duty end strength for a fiscal year under this section, then the budget for the Department of Defense for that fiscal year as submitted to Congress shall include the amounts necessary for funding that active duty end strength in excess of the fiscal year 2008 active duty end strength authorized for that service under section 401.

(g) DEFINITIONS.—In this section:

(1) FISCAL-YEAR 2008 BASELINE.—The term "fiscal-year 2008 baseline", with respect to the Army and Marine Corps, means the active-duty end strength authorized for those services in section 401.

(2) ACTIVE-DUTY END STRENGTH.—In this subsection, the term "active-duty end strength" means the strength for active-duty personnel of one of the Armed Forces as of the last day of a fiscal year.

(h) REPEAL OF OTHER DISCRETIONARY AUTHORITY TO TEMPORARILY INCREASE ARMY AND MARINE CORPS ACTIVE DUTY END STRENGTHS.—

(1) BASE LAW.—Section 403 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 10 U.S.C. 115 note) is repealed.

(2) DELAYED AMENDMENT.—Section 403 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2169) is repealed.

SEC. 404. INCREASE IN AUTHORIZED STRENGTHS FOR ARMY OFFICERS ON ACTIVE DUTY IN THE GRADE OF MAJOR.

The portion of the table in section 523(a)(1) of title 10, United States Code, relating to the Army is amended to read as follows:

Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty	*Number of officers who may be serving on active duty in grade of:*		
	Major	*Lieutenant Colonel*	*Colonel*
Army:			
20,000	*7,768*	*5,253*	*1,613*
25,000	*8,689*	*5,642*	*1,796*
30,000	*9,611*	*6,030*	*1,980*
35,000	*10,532*	*6,419*	*2,163*
40,000	*11,454*	*6,807*	*2,347*
45,000	*12,375*	*7,196*	*2,530*
50,000	*13,297*	*7,584*	*2,713*
55,000	*14,218*	*7,973*	*2,897*
60,000	*15,140*	*8,361*	*3,080*
65,000	*16,061*	*8,750*	*3,264*
70,000	*16,983*	*9,138*	*3,447*

Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty	*Number of officers who may be serving on active duty in grade of:*		
	Major	*Lieutenant Colonel*	*Colonel*
75,000	*17,903*	*9,527*	*3,631*
80,000	*18,825*	*9,915*	*3,814*
85,000	*19,746*	*10,304*	*3,997*
90,000	*20,668*	*10,692*	*4,181*
95,000	*21,589*	*11,081*	*4,364*
100,000	*22,511*	*11,469*	*4,548*
110,000	*24,354*	*12,246*	*4,915*
120,000	*26,197*	*13,023*	*5,281*
130,000	*28,040*	*13,800*	*5,648*
170,000	*35,412*	*16,908*	*7,116".*

SEC. 405. INCREASE IN AUTHORIZED STRENGTHS FOR NAVY OFFICERS ON ACTIVE DUTY IN THE GRADES OF LIEUTENANT COMMANDER, COMMANDER, AND CAPTAIN.

The table in section 523(a)(2) of title 10, United States Code, is amended to read as follows:

Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty	*Number of officers who may be serving on active duty in grade of:*		
	Lieutenant Commander	*Commander*	*Captain*
Navy:			
30,000	*7,698*	*5,269*	*2,222*
33,000	*8,189*	*5,501*	*2,334*
36,000	*8,680*	*5,733*	*2,447*
39,000	*9,172*	*5,965*	*2,559*
42,000	*9,663*	*6,197*	*2,671*
45,000	*10,155*	*6,429*	*2,784*
48,000	*10,646*	*6,660*	*2,896*
51,000	*11,136*	*6,889*	*3,007*
54,000	*11,628*	*7,121*	*3,120*
57,000	*12,118*	*7,352*	*3,232*
60,000	*12,609*	*7,583*	*3,344*
63,000	*13,100*	*7,813*	*3,457*
66,000	*13,591*	*8,044*	*3,568*
69,000	*14,245*	*8,352*	*3,718*
72,000	*17,517*	*9,890*	*4,467".*

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 2008, as follows:

(1) The Army National Guard of the United States, 351,300.

(2) The Army Reserve, 205,000.

(3) The Navy Reserve, 67,800.

(4) The Marine Corps Reserve, 39,600.

(5) The Air National Guard of the United States, 106,700.

(6) The Air Force Reserve, 67,500.

(7) The Coast Guard Reserve, 10,000.

(b) END STRENGTH REDUCTIONS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year; and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory partici-

pation in training) without their consent at the end of the fiscal year.

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

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 2008, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 29,240.

(2) The Army Reserve, 15,870.

(3) The Navy Reserve, 11,579.

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

(5) The Air National Guard of the United States, 13,944.

(6) The Air Force Reserve, 2,721.

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

The minimum number of military technicians (dual status) as of the last day of fiscal year 2008 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army Reserve, 8,249.

(2) For the Army National Guard of the United States, 26,502.

(3) For the Air Force Reserve, 9,909.

(4) For the Air National Guard of the United States, 22,553.

SEC. 414. FISCAL YEAR 2008 LIMITATION ON NUMBER OF NON-DUAL STATUS TECHNICIANS.

(a) LIMITATIONS.—

(1) NATIONAL GUARD.—Within the limitation provided in section 10217(c)(2) of title 10, United States Code, the number of non-dual status technicians employed by the National Guard as of September 30, 2008, may not exceed the following:

(A) For the Army National Guard of the United States, 1,600.

(B) For the Air National Guard of the United States, 350.

(2) ARMY RESERVE.—The number of non-dual status technicians employed by the Army Reserve as of September 30, 2008, may not exceed 595.

(3) AIR FORCE RESERVE.—The number of non-dual status technicians employed by the Air Force Reserve as of September 30, 2008, may not exceed 90.

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

SEC. 415. MAXIMUM NUMBER OF RESERVE PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY FOR OPERATIONAL SUPPORT.

During fiscal year 2008, the maximum number of members of the reserve components of the Armed Forces who may be serving at any time on full-time operational support duty under section 115(b) of title 10, United States Code, is the following:

(1) The Army National Guard of the United States, 17,000.

(2) The Army Reserve, 13,000.

(3) The Navy Reserve, 6,200.

(4) The Marine Corps Reserve, 3,000.

(5) The Air National Guard of the United States, 16,000.

(6) The Air Force Reserve, 14,000.

SEC. 416. FUTURE AUTHORIZATIONS AND ACCOUNTING FOR CERTAIN RESERVE COMPONENT PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY OR FULL-TIME NATIONAL GUARD DUTY TO PROVIDE OPERATIONAL SUPPORT.

(a) REVIEW OF OPERATIONAL SUPPORT MISSIONS PERFORMED BY CERTAIN RESERVE COMPONENT PERSONNEL.—

(1) REVIEW REQUIRED.—The Secretary of Defense shall conduct a review of the long-term operational support missions performed by members of the reserve components authorized under section 115(b) of title 10 United States Code to be on active duty or full-time National Guard duty for the purpose of providing operational support, with the objectives of such review being—

(A) minimizing the number of reserve component members who perform such service for a period greater than 1095 consecutive days, or cu-

mulatively for 1095 days out of the previous 1460 days; and

(B) determining which long-term operational support missions being performed by such members would more appropriately be performed by members of the Armed Forces on active duty under other provisions of title 10, United States Code, or by full-time support personnel of reserve components.

(2) SUBMISSION OF RESULTS.—Not later than March 1, 2008, the Secretary shall submit to Congress the results of the review, including a description of the adjustments in Department of Defense policy to be implemented as a result of the review and such recommendations for changes in statute, as the Secretary considers to be appropriate.

(b) IMPROVED ACCOUNTING FOR RESERVE COMPONENT PERSONNEL PROVIDING OPERATIONAL SUPPORT.—Section 115(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) As part of the budget justification materials submitted by the Secretary of Defense to Congress in support of the end strength authorizations required under subparagraphs (A) and (B) of subsection (a)(1) for fiscal year 2009

and each fiscal year thereafter, the Secretary shall provide the following:

"(A) The number of members, specified by reserve component, authorized under subparagraphs (A) and (B) of paragraph (1) who were serving on active duty or full-time National Guard duty for operational support beyond each of the limits specified under subparagraphs (A) and (B) of paragraph (2) at the end of the fiscal year preceding the fiscal year for which the budget justification materials are submitted.

"(B) The number of members, specified by reserve component, on active duty for operational support who, at the end of the fiscal year for which the budget justification materials are submitted, are projected to be serving on active duty or full-time National Guard duty for operational support beyond such limits.

"(C) The number of members, specified by reserve component, on active duty or full-time National Guard duty for operational support who are included in, and counted against, the end strength authorizations requested under subparagraphs (A) and (B) of subsection (a)(1).

"(D) A summary of the missions being performed by members identified under subparagraphs (A) and (B).".

SEC. 417. REVISION OF VARIANCES AUTHORIZED FOR SELECTED RESERVE END STRENGTHS.

Section 115(f)(3) of title 10, United States Code, is amended by striking "2 percent" and inserting "3 percent".

Subtitle C—Authorization of Appropriations

SEC. 421. MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2008 a total of $115,439,889,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2008.

SEC. 422. ARMED FORCES RETIREMENT HOME.

There is authorized to be appropriated for fiscal year 2008 from the Armed Forces Retirement Home Trust Fund the sum of $61,624,000 for the operation of the Armed Forces Retirement Home.

SEC. 423. OFFSETTING TRANSFERS FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall transfer

$150,000,000 from the unobligated balances of the National Defense Stockpile Transaction Fund to the Miscellaneous Receipts Fund of the United States Treasury to offset estimated costs arising from section 702 and the amendments made by such section.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Assignment of officers to designated positions of importance and responsibility.
Sec. 502. Increase in years of commissioned service threshold for discharge of probationary officers and for use of force shaping authority.
Sec. 503. Special promotion authority for Navy career military professors.

Subtitle B—Reserve Component Matters

Sec. 511. Mandatory separation of Reserve officers in the grade of lieutenant general or vice admiral after completion of 38 years of commissioned service.
Sec. 512. Constructive service credit upon original appointment of reserve officers in certain health care professions.
Sec. 513. Maximum period of temporary Federal recognition of person as Army National Guard officer or Air Force Reserve officer.
Sec. 514. Military technicians (dual status) in the Selected Reserve.
Sec. 515. Working group on reintegration of reserve component members returning from deployment.
Sec. 516. National Guard yellow ribbon reintegration program.
Sec. 517. Advance notice to members of reserve components of deployment in support of contingency operations.

Subtitle C—Education and Training

Sec. 521. Reduction or elimination of service obligation in an Army Reserve or Army National Guard troop program unit for certain persons selected as medical students at Uniformed Services University of the Health Sciences.
Sec. 522. Increase in annual limit on number of ROTC scholarships under Army Reserve and Army National Guard program.
Sec. 523. Revisions to authority to pay tuition for off-duty training or education.
Sec. 524. National Defense University master's degree programs.
Sec. 525. Recodification in title 38, United States Code, of certain educational assistance programs for members of the reserve components.
Sec. 526. Secretary of Defense evaluation of the adequacy of the degree-granting authorities of certain military universities and educational institutions.
Sec. 527. Navy Junior Reserve Officers' Training Corps unit for Southold, Mattituck, and Greenport high schools.

Subtitle D—General Service Authorities

Sec. 531. Authority to reduce required service obligation for initial appointment of qualified health professionals as officers in critical specialties.
Sec. 532. Reenlistment in former enlisted grade after service as an officer.

Subtitle E—Military Justice and Legal Assistance Matters

Sec. 541. Authority to designate certain civilian employees of the Federal Government as eligible for legal assistance from Department of Defense legal staff resources.

Subtitle F—Decorations and Awards

Sec. 551. Authorization and request for award of Medal of Honor to Leslie H. Sabo, Jr., for acts of valor during the Vietnam War.
Sec. 552. Authorization and request for award of Medal of Honor to Henry Svehla for acts of valor during the Korean War.
Sec. 553. Authorization and request for award of Medal of Honor to Woodrow W. Keeble for acts of valor during the Korean War.
Sec. 554. Authorization and request for award of Medal of Honor to Private Philip G. Shadrach for acts of valor during the Civil War.
Sec. 555. Authorization and request for award of Medal of Honor to Private George D. Wilson for acts of valor as one of Andrews Raiders during the Civil War.
Sec. 556. Cold War Victory Medal.

Subtitle G—Impact Aid and Defense Dependents Education System

Sec. 561. Tuition assistance for military dependents in overseas areas where schools operated by Defense Dependents' Education System are not reasonably available.
Sec. 562. Continuation of authority to assist local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.

Subtitle H—Other Matters

Sec. 571. Extension of authority to accept gifts, devises, or bequests to benefit members of the Armed Forces, dependents, and civilian employees of the Department of Defense.
Sec. 572. Uniform performance policies for military bands and other musical units.
Sec. 573. Repeal of limitation on number of academies of Department of Defense STARBASE Program in a single State.
Sec. 574. Combat veterans mentoring program for current members of the Armed Forces.
Sec. 575. Recognition of members of the Monuments, Fine Arts, and Archives program of the Civil Affairs and Military Government Sections of the Armed Forces during and following World War II.
Sec. 576. Program to commemorate 50th anniversary of the Vietnam War.

Subtitle A—Officer Personnel Policy

SEC. 501. ASSIGNMENT OF OFFICERS TO DESIGNATED POSITIONS OF IMPORTANCE AND RESPONSIBILITY.

(a) CONTINUATION IN GRADE WHILE AWAITING ORDERS.—Section 601(b) of title 10, United States Code, is amended by striking paragraph (4) and inserting the following new paragraph:

"(4) at the discretion of the Secretary of Defense, while the officer is awaiting orders after being relieved from the position designated under subsection (a) or by law to carry one of those grades, but not for more than 60 days beginning on the day the officer is relieved from the position, unless, during such period, the officer is placed under orders to another position designated under subsection (a) or by law to carry one of those grades, in which case paragraph (2) will also apply to the officer.".

(b) CONFORMING AMENDMENT REGARDING GENERAL AND FLAG OFFICER CEILINGS.—Section 525(e) of such title is amended by striking paragraph (2) and inserting the following new paragraph:

"(2) At the discretion of the Secretary of Defense, an officer of that armed force who has been relieved from a position designated under section 601(a) of

this title or by law to carry one of the grades specified in such section, but only during the 60-day period beginning on the date on which the assignment of the officer to the first position is terminated or until the officer is assigned to a second such position, whichever occurs first.".

SEC. 502. INCREASE IN YEARS OF COMMISSIONED SERVICE THRESHOLD FOR DISCHARGE OF PROBATIONARY OFFICERS AND FOR USE OF FORCE SHAPING AUTHORITY.

(a) ACTIVE-DUTY LIST OFFICERS.—

(1) EXTENDED PROBATIONARY PERIOD.—Paragraph (1)(A) of section 630 of title 10, United States Code, is amended by striking "five years" and inserting "six years".

*(2) SECTION HEADING.—The heading of such section is amended by striking "**five years**" and inserting "**six years**".*

(3) TABLE OF SECTIONS.—The item relating to such section in the table of sections at the beginning of subchapter III of chapter 36 of such title is amended to read as follows:

"630. Discharge of commissioned officers with less than six years of active commissioned service or found not qualified for promotion for first lieutenant or lieutenant (junior grade).".

(b) OFFICER FORCE SHAPING AUTHORITY.—Section 647(b)(1) of such title is amended by striking "5 years" both places it appears and inserting "six years".

(c) RESERVE OFFICERS.—

(1) EXTENDED PROBATIONARY PERIOD.—Subsection (a)(1)(A) of section 14503 of such title is amended by striking "five years" and inserting "six years".

*(2) SECTION HEADING.—The heading of such section is amended by striking "**five years**" and inserting "**six years**".*

(3) TABLE OF SECTIONS.—The item relating to such section in the table of sections at the beginning of chapter 1407 of such title is amended to read as follows:

"14503. Discharge of officers with less than six years of commissioned service or found not qualified for promotion to first lieutenant or lieutenant (junior grade).".

SEC. 503. SPECIAL PROMOTION AUTHORITY FOR NAVY CAREER MILITARY PROFESSORS.

(a) REMOVAL FROM CHAPTER 36 PROMOTION PROCESS.—Paragraph (2) of section 641 of title 10, United States Code, is amended to read as follows:

"(2) The director of admissions, dean, and permanent professors at the United States Military Academy, the registrar, dean, and permanent professors at the United States Air Force Academy, and

permanent professors at the United States Naval Academy.".

(b) ESTABLISHMENT OF SPECIAL PROMOTION PROCESS.—Chapter 603 of such title is amended by inserting after section 6970 the following new section:

"§ 6970a. Permanent professors: promotion

"(a) PROMOTION AUTHORITY.—An officer of the Navy or Marine Corps serving as a permanent professor at the Naval Academy in the grade of commander or lieutenant colonel may be recommended for promotion to the grade of captain or colonel, as the case may be.

"(b) ELIGIBILITY FOR PROMOTION.—An officer described in subsection (a) is not eligible for promotion under this section until after the date on which the officer completes six years of service as a permanent professor or career military professor.

"(c) ACTUAL PROMOTION.—The promotion of an officer recommended for promotion under this section is subject to appointment of the officer to the higher grade by the President, by and with the advice and consent of the Senate.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 6970 the following new item:

"6970a. Permanent professors: promotion.".

Subtitle B—Reserve Component Matters

SEC. 511. MANDATORY SEPARATION OF RESERVE OFFICERS IN THE GRADE OF LIEUTENANT GENERAL OR VICE ADMIRAL AFTER COMPLETION OF 38 YEARS OF COMMISSIONED SERVICE.

(a) MANDATORY SEPARATION.—Section 14508 of title 10, United States Code, is amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (e), (f), and (g), respectively; and

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

"(c) THIRTY-EIGHT YEARS OF SERVICE FOR LIEUTENANT GENERALS AND VICE ADMIRALS.—Unless retired, transferred to the Retired Reserve, or discharged at an earlier date, each reserve officer of the Army, Air Force, or Marine Corps in the grade of lieutenant general and each reserve officer of the Navy in the grade of vice admiral shall, 30 days after completion of 38 years of commissioned service, be separated in accordance with section 14514 of this title.".

(b) CLERICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "FOR BRIGADIER GENERALS AND REAR ADMIRALS (LOWER

HALF)" after "GRADE" in the subsection heading; and

(2) in subsection (b), by inserting "FOR MAJOR GENERALS AND REAR ADMIRALS" after "GRADE" in the subsection heading.

SEC. 512. CONSTRUCTIVE SERVICE CREDIT UPON ORIGINAL APPOINTMENT OF RESERVE OFFICERS IN CERTAIN HEALTH CARE PROFESSIONS.

(a) INCLUSION OF ADDITIONAL HEALTH CARE PROFESSIONS.—Paragraph (2) of section 12207(b) of title 10, United States Code, is amended to read as follows:

"(2)(A) If the Secretary of Defense determines that the number of officers in a health profession described in subparagraph (B) who are serving in an active status in a reserve component of the Army, Navy, or Air Force in grades below major or lieutenant commander is critically below the number needed in such health profession by such reserve component in such grades, the Secretary of Defense may authorize the Secretary of the military department concerned to credit any person who is receiving an original appointment as an officer for service in such health profession with a period of constructive credit in such amount (in addition to any amount credited such person under paragraph (1)) as will result in the grade of such person

being that of captain or, in the case of the Navy Reserve, lieutenant.

"(B) The types of health professions referred to in subparagraph (A) include the following:

"(i) Any health profession performed by officers in the Medical Corps of the Army or the Navy or by officers of the Air Force designated as a medical officer.

"(ii) Any health profession performed by officers in the Dental Corps of the Army or the Navy or by officers of the Air Force designated as a dental officer.

"(iii) Any health profession performed by officers in the Medical Service Corps of the Army or the Navy or by officers of the Air Force designated as a medical service officer or biomedical sciences officer.

"(iv) Any health profession performed by officers in the Army Medical Specialist Corps.

"(v) Any health profession performed by officers of the Nurse Corps of the Army or the Navy or by officers of the Air Force designated as a nurse.

"(vi) Any health profession performed by officers in the Veterinary Corps of the Army or by officers designated as a veterinary officer.".

(b) CONFORMING AMENDMENT.—Paragraph (3) of such section is amended by striking "a medical or dental officer" and inserting "officers covered by paragraph (2)".

SEC. 513. MAXIMUM PERIOD OF TEMPORARY FEDERAL RECOGNITION OF PERSON AS ARMY NATIONAL GUARD OFFICER OR AIR FORCE RESERVE OFFICER.

Section 308(a) of title 32, United States Code, is amended in the last sentence by striking "six months" and inserting "one year".

SEC. 514. MILITARY TECHNICIANS (DUAL STATUS) IN THE SELECTED RESERVE.

(a) RETENTION OF MILITARY TECHNICIANS WHO LOSE DUAL STATUS DUE TO COMBAT-RELATED DISABILITY.—Section 10216 of title 10, United States Code, is amended by inserting after subsection (f) the following new subsection:

"(g) RETENTION OF MILITARY TECHNICIANS WHO LOSE DUAL STATUS DUE TO COMBAT-RELATED DISABILITY.—(1) Notwithstanding subsection (d) of this section or subsections (a)(3) and (b) of section 10218 of this title, if a military technician (dual status) loses such dual status as the result of a combat-related disability (as defined in section 1413a of this title), the person may be retained as a non-dual status technician so long as—

"(A) the combat-related disability does not prevent the person from performing the non-dual status functions or position; and

"(B) the person, while a non-dual status technician, is not disqualified from performing the non-dual status functions or position because of performance, medical, or other reasons.

"(2) A person so retained shall be removed not later than 30 days after becoming eligible for an unreduced annuity and becoming 60 years of age.

"(3) Persons retained under the authority of this subsection do not count against the limitations of section 10217(c) of this title.".

(b) TEMPORARY EMPLOYMENT AUTHORITY.—Subsection (a) of such section is amended by adding at the end the following new paragraph:

"(4) The secretary of a military department may temporarily waive the requirements of subsection (a)(1)(B) in order to fill a military technician (dual status) position while that position is vacant as a result of the mobilization of the technician normally assigned to that position under a call to active duty for a period of more than 30 days under section 12301, 12302, or 12304 of this title in support of a contingency operation. In no case may the waiver authority be used in connection with any position for more

than two years. The Secretary of Defense shall prescribe regulations to carry out this paragraph.".

(c) DEFERRAL OF MANDATORY SEPARATION.—Subsection (f) of such section is amended—

(1) by striking "The Secretary of the Army" and inserting "(1) The Secretary of the Army and the Secretary of the Air Force";

(2) by striking "the military technician (dual status) reaches age 60 and attains eligibility for an unreduced annuity (as defined in section 10218(c) of this title)." and inserting the following: "the military technician (dual status)—

"(A) reaches age 60 and attains eligibility for an unreduced annuity; or

"(B) attains eligibility for an unreduced annuity after age 60, but in no case may the separation be deferred for more than 30 days after the person reaches age 62."; and

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

"(2) For purposes of this subsection, the determination of whether a technician is eligible for an unreduced annuity shall be made in the manner provided by section 10218(d) of this title.".

SEC. 515. WORKING GROUP ON REINTEGRATION OF RESERVE COMPONENT MEMBERS RETURNING FROM DEPLOYMENT.

(a) WORKING GROUP REQUIRED.—The Secretary of Defense shall establish within the Department of Defense a working group to identify and assess the reintegration needs of members of the reserve components who return from overseas operational deployment.

(b) MEMBERS.—The working group shall consist of 16 members, to be appointed by the Secretary of Defense. The Secretary shall attempt to achieve a balance of members on the working group from, at a minimum, the following:

(1) The Department of Defense.

(2) The Department of Veterans Affairs.

(3) One member each from the Army National Guard of the United States, the Army Reserve, the Navy Reserve, the Marine Corps Reserve, the Air National Guard of the United States, and the Air Force Reserve.

(4) At least one dependent of a member of the Army National Guard or Air National Guard who has been deployed overseas.

(5) At least one dependent of a member of the Army Reserve, Navy Reserve, Marine Corps Reserve, or Air Force Reserve who has been deployed overseas.

(6) One State adjutant general.

(7) Representatives of other Federal agencies and non-Federal members, as considered appropriate by the Secretary.

(c) RESPONSIBILITIES.—The working group shall—

(1) identify and assess the needs of members of the reserve components returning from deployment in making the transition to civilian life, including members who have experienced multiple recent deployments and members who have been wounded or injured during deployment, and identify and assess the needs of the families of such members;

(2) develop recommendations on means of improving assistance to such members in meeting the needs identified in paragraph (1) on their return from deployment and in meeting the need of their families identified in paragraph (1); and

(3) assess the current transition and reintegration programs employed by the reserve components for members and their families following redeployment.

(d) ELEMENTS OF ASSESSMENT.—The assessment required by subsection (c)(3) shall include—

(1) a comparison of existing reintegration programs by service, State, or command;

(2) an analysis of participation of other Federal agencies in current programs;

(3) the costs associated with different programs;

(4) identification of best practices from existing programs; and

(5) a recommended plan for incorporating the best practices into current reserve component demobilization activities.

(e) CONSULTATION.—In carrying out its responsibilities under subsection (c), the working group shall consult with the following:

(1) Representatives of organizations that assist wounded or injured members of the reserve components.

(2) Representatives of organizations that assist family members of members of the reserve components.

(3) Representatives of such other public or private organizations and entities as the working group considers appropriate.

(f) REPORT.—

(1) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the working group shall submit to the Secretary of Defense and Congress a report on its activities under subsection (c).

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

(A) The results of the identifications and assessments required under subsection (c).

(B) The recommendations developed under subsection (c)(2), including recommendations regarding the following:

(i) The provision of outreach and assistance to members of the reserve components returning from deployment and the provision of outreach and assistance to their families.

(ii) The improvement of collaboration between the public and private sectors in order to ensure the successful transition of such members and their families upon the return of such members from deployment.

(3) AVAILABILITY TO PUBLIC.—The Secretary shall take appropriate actions to make the report available to the public, including through the internet web site of the Department of Defense.

SEC. 516. NATIONAL GUARD YELLOW RIBBON REINTEGRATION PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Defense, in coordination with the Chief of the National Guard Bureau, shall establish a national combat veteran reintegration program to provide National Guard members and their fami-

lies with sufficient information, services, referral, and proactive outreach opportunities throughout the entire deployment cycle. This program shall be known as the Yellow Ribbon Reintegration Program. The Secretary may also use funds made available to carry out this section to support reintegration programs for members of the Army Reserve, Marine Corps Reserve, Navy Reserve, and Air Force Reserve and their families.

(b) PURPOSE.—The Yellow Ribbon Reintegration Program shall consist of informational events and activities for reserve component members, their families, and community members through the four phases of the deployment cycle:

(1) Pre-deployment.

(2) Deployment.

(3) Demobilization.

(4) Post-deployment-reconstitution.

(c) CONSULTATION.—The National Guard Bureau Chief shall consult with the following parties during establishment of the program:

(1) The Adjutant General of the Minnesota National Guard and officials associated with the State's "Beyond the Yellow Ribbon" Reintegration Program, the Adjutant General of New Hampshire, the Adjutant General of Oregon, and the Adjutant General of Washington.

(2) Adjutants General of the remaining States and territories.

(d) ORGANIZATION.—

(1) EXECUTIVE AGENT.—The Secretary shall designate the National Guard Bureau as the Department of Defense executive agent for the Yellow Ribbon Reintegration Program.

(2) ESTABLISHMENT OF THE OFFICE FOR REINTEGRATION PROGRAMS.—

(A) IN GENERAL.—The National Guard Bureau shall establish the Office for Reintegration Programs within the National Guard Bureau Joint Staff. This office shall administer all reintegration programs in coordination with State National Guard organizations. The office shall be responsible for coordination with existing National Guard family and support programs. The Directors of the Army National Guard and Air National Guard may appoint liaison officers to work with the permanent office staff. The office shall closely coordinate with the Army National Guard and Air National Guard Directorates for Manpower and Personnel with respect to existing family support structure, mobilization schedules,

training schedules, training plans and programs, and any other personnel issues.

(B) ESTABLISHMENT OF A CENTER FOR EXCELLENCE IN REINTEGRATION.—The Office for Reintegration Programs shall establish a Center for Excellence in Reintegration within the office. The Center shall collect and analyze "lessons learned" and suggestions from State National Guard organizations with existing or developing reintegration programs. The Center shall also assist in developing training aids and briefing materials and training representatives from State National Guard organizations. Representatives from State National Guard organizations with successful reintegration programs may augment the Office staff.

(3) ADVISORY BOARD.—

(A) APPOINTMENT.—The Chief of the National Guard Bureau shall appoint an advisory board to analyze and report areas of success and areas for necessary improvements. The advisory board shall include, but is not limited to, the Director of the Army National Guard, the Director of the Air National Guard, the Assistant Secretary of Defense for Reserve Affairs, an Adju-

tant General on a rotational basis as determined by the Chief of the National Guard Bureau, the Director of the National Guard Bureau Manpower and Personnel Directorate (J-1), and any other Department of Defense, Federal Government agency, or outside organization as determined by the Chief of the National Guard Bureau. The members of the advisory board may designate representatives in their stead.

(B) SCHEDULE.—The advisory board shall meet on a schedule as determined by the Chief of the National Guard Bureau.

(C) INITIAL REPORTING REQUIREMENT.—The advisory board shall issue internal reports as necessary and shall submit an initial report to the Committees on Armed Services not later than 180 days after the end of a one-year period from establishment of the Office for Reintegration Programs. This report shall contain—

(i) an evaluation of the reintegration program's implementation by State National Guard organizations;

(ii) an assessment of any unmet resource requirements;

(iii) an assessment of the reintegration program's further inclusion of other reserve component members and the necessity for further expansion to incorporate all the reserve components; and

(iv) recommendations regarding closer coordination between the Office of Reintegration Programs and State National Guard organizations.

(D) ANNUAL REPORTS.—The advisory board shall submit annual reports to the Committees on Armed Services of the Senate and House of Representatives following the initial report by the first week in March of subsequent years following the initial report.

(4) STATE DEPLOYMENT CYCLE SUPPORT TEAMS.—The Office for Reintegration Programs shall employ personnel to administer the Yellow Ribbon Reintegration Program at the State level. The Chief of the National Guard Bureau shall assign State Deployment Cycle Support Team members based on State need, geographical dispersion, and military population. The Office for Reintegration Programs is encouraged to employ wounded service members and

returning combat veterans whenever possible. The primary function of team members shall be—

(A) developing and managing the reintegration curriculum;

(B) contracting and recruiting for necessary service providers; and

(C) ensuring that providers' skills adapt to the unique military nature of the reintegration program.

(e) PROGRAM.—

(1) IN GENERAL.—The Office for Reintegration Programs shall analyze the demographics, placement of State Family Assistance Centers (FAC), and FAC resources before a mobilization alert is issued to affected State National Guard organizations. The Office of Reintegration Programs shall consult with affected State National Guard organizations following the issuance of a mobilization alert and implement the reintegration events in accordance with the Reintegration Program phase model.

(2) PRE-DEPLOYMENT PHASE.—The pre-deployment phase shall constitute the time from first notification of mobilization until deployment of the mobilized National Guard unit. Events and activities shall focus on providing education and ensuring the readi-

ness of service members, families, and communities for the rigors of a combat deployment.

(3) DEPLOYMENT PHASE.—The deployment phase shall constitute the period from deployment of the mobilized National Guard unit until the unit arrives at a demobilization station inside the continental United States. Events and services provided shall focus on the challenges and stress associated with separation and having a member in a combat zone. Information sessions shall utilize State National Guard resources in coordination with the Employer Support of Guard and Reserve Office, Transition Assistance Advisors, and the State Family Programs Director.

(4) DEMOBILIZATION PHASE.—

(A) IN GENERAL.—The demobilization phase shall constitute the period from arrival of the National Guard unit at the demobilization station until its departure for home station. In the interest of returning members as soon as possible to their home stations, reintegration briefings during the demobilization phase shall be minimized. State Deployment Cycle Support Teams are encouraged, however, to assist demobilizing members in enrolling in the Department

of Veterans Affairs system using form 1010EZ during the Demobilization Phase. State Deployment Cycle Support Teams may provide other events from the initial reintegration activity as determined by the State National Guard organizations. Remaining events shall be conducted during the post-deployment-reconstitution phase.

(B) INITIAL REINTEGRATION ACTIVITY.—The purpose of this reintegration program is to educate service members about the resources that are available to them and to connect members to service providers who can assist them in overcoming the challenges of reintegration

(5) POST-DEPLOYMENT-RECONSTITUTION PHASE.—

(A) IN GENERAL.—The post-deployment-reconstitution phase shall constitute the period from arrival at home station until 180 days following demobilization. Activities and services provided shall focus on reconnecting service members with their families and communities and providing resources and information necessary for successful reintegration. Reintegration events shall begin with elements of the Initial

Reintegration Activity program that were not completed during the demobilization phase.

(B) 30-DAY, 60-DAY, AND 90-DAY REINTEGRATION ACTIVITIES.—The State National Guard organizations shall hold reintegration activities at the 30-day, 60-day, and 90-day interval following demobilization. These activities shall focus on reconnecting service members and family members with the service providers from initial reintegration activity to ensure service members and their families understand what benefits they are entitled to and what resources are available to help them overcome the challenges of reintegration. The reintegration activities shall also provide a forum for service members and families to address negative behaviors related to combat stress and transition.

(C) SERVICE MEMBER PAY.—Service members shall receive appropriate pay for days spent attending the Reintegration Activities at the 30-day, 60-day, and 90-day interval.

(D) MONTHLY INDIVIDUAL REINTEGRATION PROGRAM.—The Office for Reintegration Programs, in coordination with State National Guard organizations, shall offer a monthly re-

integration program for individual service members released from active duty or formerly in a medical hold status. The program shall focus on the special needs of this service member subset and the Office for Reintegration Programs shall develop an appropriate program of services and information.

SEC. 517. ADVANCE NOTICE TO MEMBERS OF RESERVE COMPONENTS OF DEPLOYMENT IN SUPPORT OF CONTINGENCY OPERATIONS.

(a) ADVANCE NOTICE REQUIRED.—The Secretary of Defense shall ensure that a member of a reserve component who will be called or ordered to active duty for a period of more than 30 days in support of a contingency operation (as defined in section 101(a)(13) of title 10, United States Code) receives notice in advance of the mobilization date. At a minimum the notice shall be provided not less than 30 days before the mobilization date, but with a goal of 90 days before the mobilization date.

(b) REDUCTION OR WAIVER OF NOTICE REQUIREMENT.—The Secretary of Defense may waive the requirement of subsection (a), or authorize shorter notice than the minimum specified in such subsection, during a war or national emergency declared by the President or Congress or to meet mission requirements. If the waiver or reduction

is made on account of mission requirements, the Secretary shall submit to Congress a report detailing the reasons for the waiver or reduction and the mission requirements at issue.

Subtitle C—Education and Training

SEC. 521. REDUCTION OR ELIMINATION OF SERVICE OBLIGATION IN AN ARMY RESERVE OR ARMY NATIONAL GUARD TROOP PROGRAM UNIT FOR CERTAIN PERSONS SELECTED AS MEDICAL STUDENTS AT UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

Paragraph (3) of section 2107a(b) of title 10, United States Code, is amended to read as follows:

"(3)(A) Subject to subparagraph (C), in the case of a person described in subparagraph (B), the Secretary may, at any time and with the consent of the person, modify an agreement described in paragraph (1)(F) submitted by the person for the purpose of reducing or eliminating the troop program unit service obligation specified in the agreement and to establish, in lieu of that obligation, an active duty service obligation.

"(B) Subparagraph (A) applies with respect to the following persons:

"(i) A cadet under this section at a military junior college.

"(ii) A cadet or former cadet under this section who is selected under section 2114 of this title to be a medical student at the Uniformed Services University of the Health Sciences.

"(iii) A cadet or former cadet under this section who signs an agreement under section 2122 of this title for participation in the Armed Forces Health Professions Scholarship and Financial Assistance program.

"(C) The modification of an agreement described in paragraph (1)(F) may be made only if the Secretary determines that it is in the best interests of the United States to do so.".

SEC. 522. INCREASE IN ANNUAL LIMIT ON NUMBER OF ROTC SCHOLARSHIPS UNDER ARMY RESERVE AND ARMY NATIONAL GUARD PROGRAM.

Subsection (h) of section 2107a of title 10, United States Code, is amended by striking "416" and inserting "424".

SEC. 523. REVISIONS TO AUTHORITY TO PAY TUITION FOR OFF-DUTY TRAINING OR EDUCATION.

(a) INCLUSION OF COAST GUARD.—Section 2007(a) of title 10, United States Code, is amended by striking "Sub-

ject to subsection (b), the Secretary of a military department" and inserting "Subject to subsections (b) and (c), the Secretary concerned".

(b) COMMISSIONED OFFICERS ON ACTIVE DUTY.—Section 2007(b) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting after "commissioned officer on active duty" the following: "(other than a member of the Ready Reserve)";

(B) by striking "the Secretary of the military department concerned" and inserting "the Secretary concerned"; and

(C) by striking "or full-time National Guard duty" both places it appears; and

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking "the Secretary of the military department" and inserting "the Secretary concerned";

(B) in subparagraph (B), by inserting after "active duty service" the following: "for which the officer was ordered to active duty"; and

(C) in subparagraph (C), by striking "Secretary" and inserting "Secretary concerned".

(c) AUTHORITY TO PAY TUITION ASSISTANCE TO MEMBERS OF THE READY RESERVE.—Section 2007(c) of title 10, United States Code, is amended to read as follows:

"(c) In the case of a member of the Ready Reserve, the following provisions apply:

"(1) If the member is an officer of the Selected Reserve, or of the Ready Reserve but not of the Selected Reserve, the Secretary concerned may not pay charges under subsection (a) unless the officer agrees to remain a member of the Selected Reserve or of the Ready Reserve (as applicable) for at least four years after completion of the education or training for which the charges are paid.

"(2) If the member is an enlisted member in the Selected Reserve, or in the Ready Reserve but not in the Selected Reserve, the Secretary concerned may order the member to serve, after completion of the education or training for which the charges are paid, in the Selected Reserve or in the Ready Reserve (as applicable) for such period of time as the Secretary concerned prescribes, but not for more than four years.

"(3) In addition, if the member is a member of the Individual Ready Reserve, the Secretary concerned may not pay charges under subsection (a) unless the Secretary concerned, based upon the needs of

the service and the military skills or specialties of the member, selects the member for participation under this section. The Secretary concerned shall designate the military skills or specialties of members to be eligible for selection under this section.".

(d) CONFORMING AMENDMENT.—Section 2007 of title 10, United States Code, is further amended—

(1) by striking subsection (d); and

(2) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(e) REPAYMENT.—Subsection (e) of such section, as so redesignated by subsection (d), is amended—

(1) by striking "an officer" and inserting "a member";

(2) by striking "subsection (b)" and inserting "this section";

(3) by striking "of active duty"; and

(4) by striking "the officer" and inserting "the member".

(f) REGULATIONS.—Such section is further amended by adding at the end the following new subsection:

"(f) This section shall be administered under regulations prescribed by the Secretary of Defense or, with respect to the Coast Guard when it is not operating as a service in the Navy, the Secretary of Homeland Security.".

SEC. 524. NATIONAL DEFENSE UNIVERSITY MASTER'S DEGREE PROGRAMS.

(a) IN GENERAL.—Section 2163 of title 10, United States Code, is amended—

(1) by striking the heading and inserting the following:

"§ 2163. National Defense University: master's degree programs";

(2) in subsection (a), by inserting after "master of science" the following: "or master of arts"; and

(3) in subsection (b), by adding at the end the following new paragraph:

"(4) MASTER OF ARTS IN STRATEGIC SECURITY STUDIES.—The degree of master of arts in strategic security studies, to graduates of the University who fulfill the requirements of the program at the School for National Security Executive Education.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 108 of such title is amended by striking the item relating to section 2163 and inserting the following new item:

"2163. National Defense University: master's degree programs.".

(c) APPLICABILITY TO 2006-2007 GRADUATES.—Paragraph (4) of section 2163(b) of title 10, United States Code (as added by subsection (a) of this section), applies to any

person who becomes a graduate on or after September 6, 2006.

SEC. 525. RECODIFICATION IN TITLE 38, UNITED STATES CODE, OF CERTAIN EDUCATIONAL ASSISTANCE PROGRAMS FOR MEMBERS OF THE RESERVE COMPONENTS.

(a) IN GENERAL.—Part III of title 38, United States Code, is amended by inserting after chapter 32 the following new chapter:

"CHAPTER 33—EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE RESERVE COMPONENTS

"SUBCHAPTER I—MEMBERS OF THE SELECTED RESERVE

"Sec.
"3301. Educational assistance program: establishment; amount.
"3302. Eligibility for educational assistance.
"3303. Time limitation for use of entitlement.
"3304. Termination of assistance.
"3305. Failure to participate satisfactorily; penalties.
"3306. Administration of program
"3307. Reports to Congress.

"SUBCHAPTER II—RESERVE COMPONENT MEMBERS SUPPORTING CONTINGENCY OPERATIONS AND CERTAIN OTHER OPERATIONS

"3321. Purpose.
"3322. Educational assistance program.
"3323. Eligibility for educational assistance.
"3324. Time limitation for use of entitlement.
"3325. Termination of assistance.
"3326. Administration of program.

"SUBCHAPTER I—MEMBERS OF THE SELECTED RESERVE

"§ 3301. Educational assistance program: establishment; amount

"(a) ESTABLISHMENT.—To encourage membership in units of the Selected Reserve of the Ready Reserve, the Secretary of Veterans Affairs, shall establish and maintain a program to provide educational assistance to members of the Selected Reserve of the Ready Reserve of the Armed Forces. The Secretary of each military department shall, under regulations prescribed by the Secretary of Defense, provide to individuals who meet the eligibility requirements under section 3302 of this title the opportunity to receive educational assistance under this subchapter and shall maintain a program to increase the rate of educational assistance under this subchapter in accordance with subsection (i).

"(b) AMOUNT OF PAYMENT.—(1) Each educational assistance program established under subsection (a) shall provide for payment by the Secretary of Veterans Affairs of an educational assistance allowance to each person entitled to educational assistance under this subchapter who is pursuing a program of education. Except as provided in subsections (d) through (f), the educational assistance allowance shall be paid at the rates in effect under the former

chapter 1606 of title 10, as in effect immediately before the date of the enactment of the National Defense Authorization Act for Fiscal Year 2008, as increased under paragraph (3).

"(2) For each month of less than half-time pursuit of a program of education, educational assistance under this subchapter shall be paid at a rate of 25 percent of the amount payable for a month of full-time pursuit of a program of education, except that no payment may be made to a person for less than half-time pursuit if tuition assistance is otherwise available to the person for such pursuit from the military department concerned.

"(3) With respect to any fiscal year, the Secretary shall provide a percentage increase (rounded to the nearest dollar) in the rates payable under subparagraphs (A), (B), and (C) of paragraph (1) equal to the percentage by which—

"(A) the Consumer Price Index (all items, United States city average) for the 12-month period ending on the June 30 preceding the beginning of the fiscal year for which the increase is made, exceeds

"(B) such Consumer Price Index for the 12-month period preceding the 12-month period described in subparagraph (A).

"(c) APPROVED PROGRAMS OF EDUCATION; MAXIMUM MONTHS OF ASSISTANCE.—(1) Educational assistance may

be provided under this subchapter for pursuit of any program of education that is an approved program of education for purposes of chapter 30 of this title.

"(2) Subject to section 3695 of this title, the maximum number of months of educational assistance that may be provided to any person under this subchapter is 36 (or the equivalent thereof in part-time educational assistance).

"(3)(A) Notwithstanding any other provision of this subchapter or chapter 36 of this title, any payment of an educational assistance allowance described in subparagraph (B) of this paragraph shall not—

"(i) be charged against the entitlement of any individual under this subchapter; or

"(ii) be counted toward the aggregate period for which section 3695 of this title limits an individual's receipt of assistance.

"(B) The payment of the educational assistance allowance referred to in subparagraph (A) of this paragraph is the payment of such an allowance to the individual for pursuit of a course or courses under this subchapter if the Secretary of Veterans Affairs finds that the individual—

"(i) had to discontinue such course pursuit as a result of being ordered to serve on active duty under section 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10; and

"(ii) failed to receive credit or training time toward completion of the individual's approved educational, professional, or vocational objective as a result of having to discontinue, as described in clause (i), the individual's course pursuit.

"(C) The period for which, by reason of this subsection, an educational assistance allowance is not charged against entitlement or counted toward the applicable aggregate period under section 3695 of this title shall not exceed the portion of the period of enrollment in the course or courses for which the individual failed to receive credit or with respect to which the individual lost training time, as determined under subparagraph (B)(ii).

"(d) PROGRAMS OF APPRENTICESHIP.—(1) Except as provided in paragraph (2), the amount of the monthly educational assistance allowance payable to a person pursuing a full-time program of apprenticeship or other on-the-job training under this subchapter is—

"(A) for each of the first six months of the person's pursuit of such program, 75 percent of the monthly educational assistance allowance otherwise payable to such person under this subchapter;

"(B) for each of the second six months of the person's pursuit of such program, 55 percent of such monthly educational assistance allowance; and

"(C) for each of the months following the first 12 months of the person's pursuit of such program, 35 percent of such monthly educational assistance allowance.

"(2) In any month in which any person pursuing a program of education consisting of a program of apprenticeship or other on-the-job training fails to complete 120 hours of training, the amount of the monthly educational assistance allowance payable under this subchapter to the person shall be limited to the same proportion of the applicable full-time rate as the number of hours worked during such month, rounded to the nearest 8 hours, bears to 120 hours.

"(3)(A) Except as provided in subparagraph (B), for each month that such person is paid a monthly educational assistance allowance under this subchapter, the person's entitlement under this subchapter shall be charged at the rate of—

"(i) 75 percent of a month in the case of payments made in accordance with paragraph (1)(A);

"(ii) 55 percent of a month in the case of payments made in accordance with paragraph (1)(B); and

"(iii) 35 percent of a month in the case of payments made in accordance with paragraph (1)(C).

"(B) Any such charge to the entitlement shall be reduced proportionately in accordance with the reduction in payment under paragraph (2).

"(e) CORRESPONDENCE COURSES.—(1)(A) The amount of the educational assistance allowance payable under this subchapter to a person who enters into an agreement to pursue, and is pursuing, a program of education exclusively by correspondence is an amount equal to 55 percent of the established charge which the institution requires nonveterans to pay for the course or courses pursued by such person.

"(B) For purposes of subparagraph (A), the term 'established charge' means the lesser of—

"(i) the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency; or

"(ii) the actual charge to the person for such course or courses.

"(C) Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the person and serviced by the institution.

"(2) In each case in which the amount of educational assistance is determined under paragraph (1), the period of entitlement of the person concerned shall be charged with

one month for each amount equal to the amount of the monthly rate payable under subsection (b)(1)(A) for the fiscal year concerned which is paid to the individual as an educational assistance allowance.

"(f) FLIGHT TRAINING.—(1) The Secretary of Veterans Affairs may approve the pursuit of flight training (in addition to a course of flight training that may be approved under section 3680A(b) of this title) by an individual entitled to educational assistance under this subchapter if—

"(A) such training is generally accepted as necessary for the attainment of a recognized vocational objective in the field of aviation;

"(B) the individual possesses a valid private pilot certificate and meets, on the day the individual begins a course of flight training, the medical requirements necessary for a commercial pilot certificate; and

"(C) the flight school courses meet Federal Aviation Administration standards for such courses and are approved by the Federal Aviation Administration and the State approving agency.

"(2) Each individual who is pursuing a program of education consisting exclusively of flight training approved as meeting the requirements of paragraph (1) shall be paid an educational assistance allowance under this subchapter

in the amount equal to 60 percent of the established charges for tuition and fees which similarly circumstanced non-veterans enrolled in the same flight course are required to pay.

"(3) No educational assistance allowance may be paid under this subchapter to an individual for any month during which such individual is pursuing a program of education consisting exclusively of flight training until the Secretary has received from that individual and the institution providing such training a certification of the flight training received by the individual during that month and the tuition and other fees charged for that training.

"(4) The period of entitlement of an individual pursuing a program of education described in paragraph (1) shall be charged with one month for each amount equal to the amount of the monthly rate payable under subsection (b)(1)(A) for the fiscal year concerned which is paid to that individual as an educational assistance allowance for such program.

"(5) The number of solo flying hours for which an individual may be paid an educational assistance allowance under this subsection may not exceed the minimum number of solo flying hours required by the Federal Aviation Administration for the flight rating or certification which is the goal of the individual's flight training.

"(g) INDIVIDUALIZED TUTORIAL ASSISTANCE.—(1)(A) Subject to subparagraph (B), the Secretary of Veterans Affairs shall approve individualized tutorial assistance for any person entitled to educational assistance under this subchapter who—

"(i) is enrolled in and pursuing a postsecondary course of education on a half-time or more basis at an educational institution; and

"(ii) has a deficiency in a subject required as a part of, or which is prerequisite to, or which is indispensable to the satisfactory pursuit of, the program of education.

"(B) The Secretary of Veterans Affairs shall not approve individualized tutorial assistance for a person pursuing a program of education under this paragraph unless such assistance is necessary for the person to successfully complete the program of education.

"(2)(A) Subject to subparagraph (B), the Secretary of Veterans Affairs shall pay to a person receiving individualized tutorial assistance pursuant to paragraph (1) a tutorial assistance allowance. The amount of the allowance payable under this paragraph may not exceed $100 for any month, nor aggregate more than $1,200. The amount of the allowance paid under this paragraph shall be in addition

to the amount of educational assistance allowance payable to a person under this subchapter.

"(B) A tutorial assistance allowance may not be paid to a person under this paragraph until the educational institution at which the person is enrolled certifies that—

"(i) the individualized tutorial assistance is essential to correct a deficiency of the person in a subject required as a part of, or which is prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education;

"(ii) the tutor chosen to perform such assistance is qualified to provide such assistance and is not the person's parent, spouse, child (whether or not married or over eighteen years of age), brother, or sister; and

"(iii) the charges for such assistance do not exceed the customary charges for such tutorial assistance.

"(3)(A) A person's period of entitlement to educational assistance under this subchapter shall be charged only with respect to the amount of tutorial assistance paid to the person under this subsection in excess of $600.

"(B) A person's period of entitlement to educational assistance under this subchapter shall be charged at the rate of one month for each amount of assistance paid to the individual under this section in excess of $600 that is equal

to the amount of the monthly educational assistance allowance which the person is otherwise eligible to receive for full-time pursuit of an institutional course under this subchapter.

"(h) COURSES BEYOND BACCALAUREATE DEGREE.—A program of education in a course of instruction beyond the baccalaureate degree level shall be provided under this subchapter, subject to the availability of appropriations.

"(i) SPECIAL SKILLS.—(1) In the case of a person who has a skill or specialty designated by the Secretary of the military department concerned as a skill or specialty in which there is a critical shortage of personnel or for which it is difficult to recruit or, in the case of critical units, retain personnel, the Secretary of the military department concerned may increase the rate of the educational assistance allowance applicable to that person to such rate in excess of the rate prescribed under subparagraphs (A) through (D) of subsection (b)(1) as the Secretary of Defense considers appropriate, but the amount of any such increase may not exceed $350 per month.

"(2) In the case of a person who has a skill or specialty designated by the Secretary of the military department concerned as a skill or specialty in which there is a critical shortage of personnel or for which it is difficult to recruit or, in the case of critical units, retain personnel, who is

eligible for educational benefits under chapter 30 (other than section 3012) of this title and who meets the eligibility criteria specified in subparagraphs (A) and (B) of section 3302(a)(1) of this title, the Secretary of the military department concerned may increase the rate of the educational assistance allowance applicable to that person to such rate in excess of the rate prescribed under section 3015 of this title as the Secretary of Defense considers appropriate, but the amount of any such increase may not exceed $350 per month.

"(3) The authority provided by paragraphs (1) and (2) shall be exercised by the Secretaries of the military departments under regulations prescribed by the Secretary of Defense.

"(j) LICENSING AND CERTIFICATION.—(1) Subject to paragraph (3), the amount of educational assistance payable under this subchapter for a licensing or certification test described in section 3452(b) of this title is the lesser of $2,000 or the fee charged for the test.

"(2) The number of months of entitlement charged in the case of any individual for such licensing or certification test is equal to the number (including any fraction) determined by dividing the total amount of educational assistance paid such individual for such test by the full-time monthly institutional rate of educational assistance which,

but for paragraph (1), such individual would otherwise be paid under subsection (b).

"(3) In no event shall payment of educational assistance under this subsection for such a test exceed the amount of the individual's available entitlement under this subchapter.

"§ 3302. Eligibility for educational assistance

"(a) ELIGIBILITY.—A person who—

"(1) after June 30, 1985—

"(A) enlists, reenlists, or extends an enlistment as a Reserve for service in the Selected Reserve for a period of not less than six years; or

"(B) is appointed as, or is serving as, a reserve officer and agrees to serve in the Selected Reserve for a period of not less than six years in addition to any other period of obligated service in the Selected Reserve to which the person may be subject; and

"(2) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or an equivalency certificate);

is entitled to educational assistance under section 3301 of this title.

"(b) ACTIVE DUTY FOR TRAINING REQUIRED.—Educational assistance may not be provided to a member under

this subchapter until the member has completed the initial period of active duty for training required of the member.

"(c) NOTIFICATION.—Each person who becomes entitled to educational assistance under subsection (a) shall at the time the person becomes so entitled be given a statement in writing summarizing the provisions of this subchapter and stating clearly and prominently the substance of sections 3304 and 3305 of this title as such sections may apply to the person. At the request of the Secretary of Veterans Affairs, the Secretary of Defense shall transmit a notice of entitlement for each such person to that Secretary.

"(d) BAR FROM DUAL ELIGIBILITY.—A person who serves in the Selected Reserve may not receive credit for such service under both the program established by chapter 30 of this title and the program established by this subchapter but shall elect (in such form and manner as the Secretary of Veterans Affairs may prescribe) the program to which such service is to be credited. However, a person may not receive credit under the program established by this subchapter for service (in any grade) on full-time active duty or full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components in a position which is included in the end strength required to be authorized each year by section 115(a)(1)(B) of title 10.

"§ 3303. Time limitation for use of entitlement

"(a) TIME LIMITATION.—Except as provided in subsection (b), the period during which a person entitled to educational assistance under this subchapter may use such person's entitlement expires (1) at the end of the 14-year period beginning on the date on which such person becomes entitled to such assistance, or (2) on the date the person is separated from the Selected Reserve, whichever occurs first.

"(b) EXCEPTIONS.—(1) In the case of a person—

"(A) who is separated from the Selected Reserve because of a disability which was not the result of the individual's own willful misconduct incurred on or after the date on which such person became entitled to educational assistance under this subchapter; or

"(B) who, on or after the date on which such person became entitled to educational assistance under this subchapter ceases to be a member of the Selected Reserve during the period beginning on October 1, 1991, and ending on December 31, 2001, by reason of the inactivation of the person's unit of assignment or by reason of involuntarily ceasing to be designated as a member of the Selected Reserve pursuant to section 10143(a) of title 10,

the period for using entitlement prescribed by subsection (a) shall be determined without regard to clause (2) of such subsection.

"(2) The provisions of section 3031(f) of this title shall apply to the period of entitlement prescribed by subsection (a).

"(3) The provisions of section 3031(d) of this title shall apply to the period of entitlement prescribed by subsection (a) in the case of a disability incurred in or aggravated by service in the Selected Reserve.

"(4) In the case of a member of the Selected Reserve of the Ready Reserve who serves on active duty pursuant to an order to active duty issued under section 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10—

"(A) the period of such active duty service plus four months shall not be considered in determining the expiration date applicable to such member under subsection (a); and

"(B) the member may not be considered to have been separated from the Selected Reserve for the purposes of clause (2) of such subsection by reason of the commencement of such active duty service.

"§ 3304. Termination of assistance

"Educational assistance may not be provided under this subchapter—

"(1) to a member receiving financial assistance under section 2107 of title 10 as a member of the Senior Reserve Officers' Training Corps program; or

"(2) to a member who fails to participate satisfactorily in required training as a member of the Selected Reserve.

"§ 3305. Failure to participate satisfactorily; penalties

"(a) PENALTIES.—At the option of the Secretary of the military department concerned, in consultation with the Secretary of Veterans Affairs, a member of the Selected Reserve of an armed force who does not participate satisfactorily in required training as a member of the Selected Reserve during a term of enlistment or other period of obligated service that created entitlement of the member to educational assistance under this subchapter, and during which the member has received such assistance, may—

"(1) be ordered to active duty for a period of two years or the period of obligated service the person has remaining under section 3302 of this title, whichever is less; or

"(2) be subject to repayment requirements prescribed by the Secretary of Veterans Affairs that are similar to the repayment provisions under section 303a(e) of title 37.

"(b) COLLECTION OF FUNDS.—The Secretary of Veterans Affairs shall collect any amount required to be repaid under subsection (a)(2).

"(c) EFFECT OF REPAYMENT.—Any repayment under subsection (a)(2) shall not affect the period of obligation of a member to serve as a Reserve in the Selected Reserve.

"§ 3306. Administration of program

"(a) PAYMENTS.—(1) Except as provided under paragraph (2), payments for educational assistance under this subchapter shall be made from funds appropriated or otherwise made available to the Department of Veterans Affairs for fiscal year 2009 or any subsequent fiscal year for the payment of readjustment benefits.

"(2) Payments for increases in rates of educational assistance under section 3301(i) shall be made from amounts in the Department of Defense Education Benefits Fund under section 2006 of title 10. Amounts for such payments shall be made available to the Secretary in accordance with the provisions of section 2006(d) of title 10.

"(b) PROGRAM MANAGEMENT.—Except as otherwise provided in this subchapter, the provisions of sections 3470, 3471, 3474, 3476, 3482(g), 3483, and 3485 of this title and the provisions of subchapters I and II of chapter 36 of this title (with the exception of sections 3686(a) and 3687) shall be applicable to the provision of educational assistance

under this subchapter. The term 'eligible veteran' and the term 'person', as used in those provisions, shall be deemed for the purpose of the application of those provisions to this subchapter to refer to a person eligible for educational assistance under this subchapter.

"(c) APPLICATION OF BENEFITS.—The Secretary of Veterans Affairs may not make a distinction in the application of educational assistance benefits under this subchapter on the basis of whether a person who is eligible for educational assistance under this subchapter first became so eligible under former chapter 1606 of title 10, as in effect immediately on September 30, 2008.

"§ 3307. Biennial report to Congress

"The Secretary of Veterans Affairs, in coordination with the Secretary of Defense, shall submit to Congress a report not later than March 1 of each odd-numbered year concerning the operation of the educational assistance program established by this subchapter during the preceding two fiscal years. Each such report shall include the number of members of the Selected Reserve of the Ready Reserve of each armed force receiving, and the number entitled to receive, educational assistance under this subchapter during those fiscal years. The Secretary may submit the report more frequently and adjust the period covered by the report accordingly.

"SUBCHAPTER II—RESERVE COMPONENT MEMBERS SUPPORTING CONTINGENCY OPERATIONS AND CERTAIN OTHER OPERATIONS

"§ 3321. Purpose

"The purpose of this subchapter is to provide educational assistance to members of the reserve components called or ordered to active service in response to a war or national emergency declared by the President or Congress, in recognition of the sacrifices that those members make in answering the call to duty.

"§ 3322. Educational assistance program

"(a) PROGRAM ESTABLISHMENT.—The Secretary of Veterans Affairs, shall establish and maintain a program as prescribed in this subchapter to provide educational assistance to members of the Ready Reserve of the Armed Forces. The Secretary of each military department shall, under regulations prescribed by the Secretary of Defense, provide to individuals who meet the eligibility requirements under section 3323 of this title the opportunity to receive educational assistance under this subchapter.

"(b) AUTHORIZED EDUCATION PROGRAMS.—Educational assistance may be provided under this subchapter for pursuit of any program of education that is an approved program of education for purposes of chapter 30 of this title.

"(c) BENEFIT AMOUNT.—(1) The educational assistance program established under subsection (a) shall provide for payment by the Secretary of Veterans Affairs of an educational assistance allowance to each member entitled to educational assistance under this subchapter who is pursuing a program of education authorized under subsection (b).

"(2) The educational assistance allowance provided under this subchapter shall be based on the applicable percent under paragraph (4) to the applicable rate provided under section 3015 of this title for a member whose entitlement is based on completion of an obligated period of active duty of three years.

"(3) The educational assistance allowance provided under this section for a person who is undertaking a program for which a reduced rate is specified in chapter 30 of this title, that rate shall be further adjusted by the applicable percent specified in paragraph (4).

"(4) The adjusted educational assistance allowance under paragraph (2) or (3), as applicable, shall be—

"(A) 40 percent in the case of a member of a reserve component who performed active service for 90 consecutive days but less than one continuous year;

"(B) 60 percent in the case of a member of a reserve component who performed active service for one

continuous year but less than two continuous years; or

"(C) 80 percent in the case of a member of a reserve component who performed active service for two continuous years or more.

"(d) MAXIMUM MONTHS OF ASSISTANCE.—(1) Subject to section 3695 of this title, the maximum number of months of educational assistance that may be provided to any member under this subchapter is 36 (or the equivalent thereof in part-time educational assistance).

"(2)(A) Notwithstanding any other provision of this subchapter or chapter 36 of this title, any payment of an educational assistance allowance described in subparagraph (B) shall not—

"(i) be charged against the entitlement of any individual under this subchapter; or

"(ii) be counted toward the aggregate period for which section 3695 of this title limits an individual's receipt of assistance.

"(B) The payment of the educational assistance allowance referred to in subparagraph (A) is the payment of such an allowance to the individual for pursuit of a course or courses under this subchapter if the Secretary of Veterans Affairs finds that the individual—

"(i) had to discontinue such course pursuit as a result of being ordered to serve on active duty under section 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10; and

"(ii) failed to receive credit or training time toward completion of the individual's approved educational, professional, or vocational objective as a result of having to discontinue, as described in clause (i), the individual's course pursuit.

"(C) The period for which, by reason of this subsection, an educational assistance allowance is not charged against entitlement or counted toward the applicable aggregate period under section 3695 of this title shall not exceed the portion of the period of enrollment in the course or courses for which the individual failed to receive credit or with respect to which the individual lost training time, as determined under subparagraph (B)(ii).

"(e) AVAILABILITY OF ASSISTANCE FOR LICENSING AND CERTIFICATION TESTS.—The provisions of section 3301(j) of this title shall apply to the provision of educational assistance under this subchapter, except that, in applying such section under this subchapter, the reference to subsection (b) in paragraph (2) of such section is deemed to be a reference to subsection (c) of this section.

"(f) FLIGHT TRAINING.—The Secretary of Veterans Affairs may approve the pursuit of flight training (in addition to a course of flight training that may be approved under section 3680A(b) of this title) by an individual entitled to educational assistance under this subchapter if—

"(1) such training is generally accepted as necessary for the attainment of a recognized vocational objective in the field of aviation;

"(2) the individual possesses a valid private pilot certificate and meets, on the day the member begins a course of flight training, the medical requirements necessary for a commercial pilot certificate; and

"(3) the flight school courses meet Federal Aviation Administration standards for such courses and are approved by the Federal Aviation Administration and the State approving agency.

"§ 3323. Eligibility for educational assistance

"(a) ELIGIBILITY.—On or after September 11, 2001, a member of a reserve component is entitled to educational assistance under this subchapter if the member—

"(1) served on active duty in support of a contingency operation for 90 consecutive days or more; or

"(2) in the case of a member of the Army National Guard of the United States or Air National Guard of the United States, performed full time National Guard duty under section 502(f) of title 32 for 90 consecutive days or more when authorized by the President or Secretary of Defense for the purpose of responding to a national emergency declared by the President and supported by Federal funds.

"(b) DISABLED MEMBERS.—Notwithstanding the eligibility requirements in subsection (a), a member who was ordered to active service as prescribed under subsection (a)(1) or (a)(2) but is released from duty before completing 90 consecutive days because of an injury, illness or disease incurred or aggravated in the line of duty shall be entitled to educational assistance under this subchapter at the rate prescribed in section 3322(c)(4)(A) of this title.

"(c) WRITTEN NOTIFICATION.—(1) Each member who becomes entitled to educational assistance under subsection (a) shall be given a statement in writing prior to release from active service that summarizes the provisions of this subchapter and stating clearly and prominently the substance of section 3325 of this title as such section may apply to the member.

"(2) At the request of the Secretary of Veterans Affairs, the Secretary of the military department concerned shall

transmit a notice of entitlement for each such member to that Secretary.

"(d) BAR FROM DUAL ELIGIBILITY.—A member who qualifies for educational assistance under this subchapter may not receive credit for such service under both the program established by chapter 30 of this title and the program established by this subchapter but shall make an irrevocable election (in such form and manner as the Secretary of Veterans Affairs may prescribe) as to the program to which such service is to be credited.

"(e) BAR FROM DUPLICATION OF EDUCATIONAL ASSISTANCE ALLOWANCE.—(1) Except as provided in paragraph (2), an individual entitled to educational assistance under this subchapter who is also eligible for educational assistance under subchapter I of this chapter, chapter 30, 31, 32, or 35 of this title, or under the Hostage Relief Act of 1980 (Public Law 96-449; 5 U.S.C. 5561 note) may not receive assistance under more than one such programs and shall elect (in such form and manner as the Secretary of Veterans Affairs may prescribe) under which program the member elects to receive educational assistance.

"(2) The restriction on duplication of educational assistance under paragraph (1) does not apply to the entitlement of educational assistance under section 3301(i) of this title.

"§ 3324. Time limit for use of entitlement

"(a) DURATION OF ENTITLEMENT.—Except as provided in subsection (b), a member remains entitled to educational assistance under this subchapter while serving—

"(1) in the Selected Reserve of the Ready Reserve, in the case of a member called or ordered to active service while serving in the Selected Reserve; or

"(2) in the Ready Reserve, in the case of a member ordered to active duty while serving in the Ready Reserve (other than the Selected Reserve).

"(b) DURATION OF ENTITLEMENT FOR DISABLED MEMBERS.—(1) In the case of a person who is separated from the Ready Reserve because of a disability which was not the result of the individual's own willful misconduct incurred on or after the date on which such person became entitled to educational assistance under this subchapter, such person's entitlement to educational assistance expires at the end of the 10-year period beginning on the date on which such person became entitled to such assistance.

"(2) The provisions of subsections (d) and (f) of section 3031 of this title shall apply to the period of entitlement prescribed by paragraph (1).

"§ 3325. Termination of assistance

"(a) IN GENERAL.—Except as provided in subsection (b), educational assistance may not be provided under this

subchapter, or if being provided under this subchapter, shall be terminated—

"(1) if the member is receiving financial assistance under section 2107 of title 10 as a member of the Senior Reserve Officers' Training Corps program; or

"(2) when the member separates from the Ready Reserve, as provided for under section 3324(a)(1) or section 3324(a)(2), as applicable, of this title.

"(b) EXCEPTION.—Under regulations prescribed by the Secretary of Defense, educational assistance may be provided under this subchapter to a member of the Selected Reserve of the Ready Reserve who incurs a break in service in the Selected Reserve of not more than 90 days if the member continues to serve in the Ready Reserve during and after such break in service.

"§ 3326. Administration of program

"(a) PAYMENTS.—Payments for educational assistance under this subchapter shall be made from funds appropriated or otherwise made available to the Department of Veterans Affairs for fiscal year 2009 or any subsequent fiscal year for the payment of readjustment benefits.

"(b) PROGRAM MANAGEMENT.—Except as otherwise provided in this subchapter, the provisions of sections 3470, 3471, 3474, 3476, 3482(g), 3483, and 3485 of this title and

the provisions of subchapters I and II of chapter 36 of this title (with the exception of sections 3686(a) and 3687) shall be applicable to the provision of educational assistance under this subchapter. The term 'eligible veteran' and the term 'person', as used in those provisions, shall be deemed for the purpose of the application of those provisions to this subchapter to refer to a person eligible for educational assistance under this subchapter.

"(c) APPLICATION OF BENEFITS.—The Secretary of Veterans Affairs may not make a distinction in the application of educational assistance benefits under this subchapter on the basis of whether a person who is eligible for educational assistance under this subchapter first became so eligible under former chapter 1607 of title 10, as in effect immediately on September 30, 2008.".

(b) TRANSFER OF AMOUNTS FOR BENEFITS ACCRUED BEFORE OCTOBER 1, 2008.—

(1) FISCAL YEAR 2009.—By not later than October 1, 2008, the Secretary of Defense shall transfer to the Secretary of Veterans Affairs from the funds in the Department of Defense Education Benefits Fund under section 2006 of title 10, United States Code, that are attributable to armed forces education liabilities under chapters 1606 and 1607 of such title (other than such liabilities under section 16131(i) of

such title) that accrue before such date, such funds as may be required by the Secretary of Veterans Affairs to make payments with respect to such liabilities during fiscal year 2009. Such amounts shall be deposited into the Readjustment Benefits Account of the Department of Veterans Affairs and shall be used only by the Secretary of Veterans Affairs to make payments of educational assistance under chapter 33 of title 38, United States Code, as added by subsection (a). Funds deposited in the Readjustment Benefits Account under this paragraph may not be used to pay any benefit that is payable from the Readjustment Benefits Account other than a payment of educational assistance under chapter 33 of title 38, United States Code, as added by subsection (a).

(2) TREATMENT OF RECEIPTS.—Receipts that would otherwise be credited to the account established for the payment of benefits under the Department of Defense Education Benefits Fund under section 2006 of title 10, United States Code, for the payment of benefits under the chapters 1606 and 1607 of such title (other than such benefits under section 16131(i) of such title), shall be credited to the Readjustment Benefits Account of the Department of Veterans Affairs and merged with funds deposited in that ac-

count under paragraph (1), to be available for the same purposes and subject to the same limitations as such funds.

(3) AGREEMENT FOR SUBSEQUENT FISCAL YEARS.—By not later than October 1, 2008, the Secretary of Defense and the Secretary of Veterans Affairs shall enter into an agreement under which the Secretary of Defense shall transfer to the Secretary of Veterans Affairs all remaining funds in the Department of Defense Education Benefits Fund under section 2006 of title 10, United States Code, that are attributable to armed forces liabilities under the former chapters 1606 and 1607 of such title (other than such liabilities under section 16131(i) of such title) that accrue before such date. Such amounts shall be deposited into the education account of the Readjustment Benefits Account of the Department of Veterans Affairs and shall be available to the Secretary of Veterans Affairs to make payments of educational assistance under chapter 33 of title 38, United States Code, as added by subsection (a).

(4) REPORT.—By not later than October 1, 2008, the Secretary of Defense shall submit to the congressional defense committees, the Committee on Veterans Affairs of the Senate, and the Committee on

Veterans Affairs of the House of Representatives a detailed report on the agreement between the Secretary of Defense and the Secretary of Veterans Affairs and the status of the transfer of funds described in paragraph (2). Such report shall include the date on which the Secretary of Defense has agreed to complete such transfer.

(c) CLERICAL AMENDMENTS.—The tables of chapters at the beginning of title 38, United States Code, and at the beginning of part III of such title, are each amended by inserting after the item relating to chapter 32 the following new item:

"33. Educational Assistance for Members of the Reserve Components ..... 3301".

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) CONFORMING AMENDMENTS ON BAR ON DUAL ELIGIBILITY FOR BENEFITS.—

(A) Section 3033 of title 38, United States Code, is amended—

(i) in subsection (a)(1), by striking "chapter 106 or 107 of title 10" and inserting "under subchapter I or subchapter II of chapter 33 of this title, under chapter 107 of title 10"; and

(ii) in subsection (c), by striking "chapter 106 of title 10" and inserting "subchapter I of chapter 33 of this title".

(B) Section 3221(f) of such title is amended by striking "chapter 106 of title 10" and inserting "subchapter I of chapter 33 of this title".

(C) Section 3681 of such title is amended—

(i) in subsection (a), by striking "34, 35, or 36 of this title or 106 or 107 of title 10," and inserting "33, 34, 35, or 36 of this title"; and

(ii) in subsection (b)—

(I) in paragraph (1), by inserting before the period the following: ", and subchapters I and II of chapter 33 of this title"; and

(II) in paragraph (2), by striking "Chapters 106 and" and inserting "Chapter".

(2) CONFORMING AMENDMENTS RELATING TO DEPARTMENT OF DEFENSE EDUCATION BENEFITS FUND.—

(A) DEFINITION OF ARMED FORCES EDUCATION LIABILITIES.—Paragraph (1) of section

2006(b) of title 10, United States Code, is amended to read as follows:

"(1) The term 'armed forces education liabilities' means liabilities of the armed forces for benefits under chapter 30 and section 3301(i) of title 38 and for Department of Defense benefits under paragraphs (3) and (4) of section 510(e) of this title, including funds provided by the Secretary of Homeland Security for education liabilities for the Coast Guard when it is not operating as a service in the Department of the Navy.".

(B) DEFINITION OF NORMAL COST.—Paragraph (2) of such section is amended by striking subparagraph (C) and inserting the following new subparagraph:

"(C) The present value of the future Department of Defense benefits payable from the Fund (including funds from the Department in which the Coast Guard is operating) for educational assistance under section 3301(i) of title 38 to persons who during such period become entitled to such assistance.".

(3) CROSS-REFERENCE AMENDMENTS.—

(A) CHAPTER 106 OF TITLE 10, UNITED STATES CODE.—

(i) Section 2131 of title 10, United States Code, is amended to read as follows:

"§ 2131. Reference to subchapter I of chapter 33 of title 38

"Provisions of law related to educational assistance for members of the Selected Reserve under the Montgomery GI Bill program, as formerly set forth in this chapter and chapter 1606 of this title, are set forth in subchapter I of chapter 33 of title 38 (beginning with section 3301 of title 38).".

(ii) The table of sections at the beginning of chapter 106 of such title is amended by striking the item relating to section 2131 and inserting the following new item:

"2131. Reference to subchapter I of chapter 33 of title 38.".

(B) CHAPTER 1606 OF TITLE 10, UNITED STATES CODE.—Chapter 1606 of such title is amended by striking all after the chapter heading and inserting the following:

"Sec.
"16131. Reference to subchapter I of chapter 33 of title 38.

"§ 16131. Reference to subchapter I of chapter 33 of title 38

"Provisions of law related to educational assistance for members of the Selected Reserve under the Montgomery GI Bill program, as formerly set forth in this chapter, are set

forth in subchapter I of chapter 33 of title 38 (beginning with section 3301 of that title).".

(C) CHAPTER 1607 OF TITLE 10, UNITED STATES CODE.—Chapter 1607 of such title is amended by striking all after the chapter heading and inserting the following:

"Sec.
"16161. Reference to subchapter II of chapter 33 of title 38.

"§ 16161. Reference to subchapter II of chapter 33 of title 38

"Provisions of law related to educational assistance for members of the reserve components of the Armed Forces supporting contingency operations and certain other operations, as formerly set forth in this chapter, are set forth in subchapter II of chapter 33 of title 38 (beginning with section 3321 of that title).".

(4) ADDITIONAL CONFORMING AMENDMENTS.—

(A) TITLE 38, UNITED STATES CODE.—

(i) Section 3485 of title 38, United States Code, is amended—

(I) in subsection (a)(4)(E), by striking "chapter 1606 or 1607 of title 10" and inserting "chapter 33 of this title";

(II) in subsection (b), by striking "chapter 30, 31, 32, or 34 of this title

or chapter 1606 or 1607 of title 10," and inserting "chapter 30, 31, 32, 33, or 34 of this title"; and

(III) in subsection (e)(1)—

(aa) by striking ", chapter 30, 31, 32, 35, or 36 of this title, or chapter 1606 or 1607 of title 10" and inserting "or chapter 30, 31, 32, 33, 35, or 36 of this title"; and

(bb) by striking "section 2135 of such title" and inserting "section 3305 of this title".

(ii) Section 3672(c) of such title is amended—

(I) in paragraph (3)(A), by striking "chapters 30 and 35 of this title and chapter 1606 of title 10" and inserting "chapters 30, 33, and 35 of this title"; and

(II) in paragraph (4), by striking "chapter 30 or 35 of this title, or chapter 1606 of title 10, as the case may be" and inserting "chapter 30, 33, or 35 of this title".

(iii) Section 3674 of such title is amended—

(I) in subsection (a)(1), by striking "and chapter 106 of title 10"; and

(II) in subsection (c), by inserting "33," after "32,".

(iv) Section 3680A(d)(1) of such title is amended—

(I) by striking "or under chapter 106 of title 10" the first place it appears; and

(II) by striking "or chapter 30, 31, 32, or 35 of this title or under chapter 106 of title 10" and inserting "or chapter 30, 31, 32, 33, or 35 of this title".

(v) Section 3684A(a)(1) of such title is amended by striking "chapter 30 or 32 of this title or in chapter 106 of title 10" and inserting "chapter 30, 32, or 33 of this title".

(vi) Section 3688(b) of such title is amended by striking ", chapter 30, 32, or 35 of this title, or chapter 106 of title 10"

and inserting "or chapter 30, 32, 33, or 35 of this title".

(vii) Section 3689 of such title is amended by inserting "33," after "32," each place it appears.

(viii) Section 3692 of such title is amended—

(I) in subsection (a), by striking "or 35 of this title and chapter 1606 of title 10" and inserting "33, or 35 of this title"; and

(II) in subsection (b), by striking ", chapters 30, 32, and 35 of this title, and chapter 1606 of title 10" and inserting "and chapters 30, 32, 33, and 35 of this title".

(ix) Section 3695(a) of such title is amended—

(I) by striking paragraph (4) and inserting the following new paragraph (4):

"(4) Chapters 30, 32, 34, 35, and 36 of this title and subchapters I and II of chapter 33 of this title."; and

(II) in paragraph (5), by striking ", 1606, 1607,".

(x) Section 3697(a) of such title is amended by striking "chapter 30, 32, 34, or 35 of this title, or chapter 106 of title 10," and inserting "chapter 30, 32, 33, 34, or 35 of this title".

(xi) Section 3697A(b)(1) of such title is amended by striking "or 32 of this title or chapter 106" and inserting "32, or 33 of this title or chapter".

(B) TITLE 10, UNITED STATES CODE.—Section 510(h) of title 10, United States Code, is amended—

(i) in paragraph (1)—

(I) in subparagraph (A), by striking "additional educational assistance under chapter 1606 of this title or to basic educational assistance under subchapter II of chapter 30 of title 38" and inserting "basic educational assistance under subchapter II of chapter 30 of title 38 or educational assistance under subchapter I of chapter 33 of that title"; and

(II) in subparagraph (B)—

(aa) by striking "chapter 1606 of this title or chapter 30 of title 38" and inserting "chapter 30 or subchapter I of chapter 33 of title 38"; and

(bb) by striking "either such chapter" each place it appears and inserting "either such provisions"; and

(ii) in paragraph (3)(A), by striking "educational assistance under chapter 1606 of this title" and all that follows through "as the case may be" and inserting "basic educational assistance under chapter 30 of title 38 or educational assistance under subchapter I of chapter 33 of that title from an entitlement to such basic educational assistance under chapter 30 of that title or educational assistance under subchapter I of chapter 33 of that title, as the case may be".

(C) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Section 2304(g) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6674(g)) is amended by striking

"chapter 30 of title 38 or chapter 1606 of title 10" and inserting "chapter 30 or 33 of title 38".

(D) INTERNAL REVENUE CODE OF 1986.—Section 25A(g)(2)(B) of the Internal Revenue Code of 1986 is amended by striking "chapter 30, 31, 32, 34, or 35 of title 38, United States Code, or under chapter 1606 of title 10, United States Code" and inserting "chapter 30, 31, 32, 33, 34, or 35 of title 38, United States Code".

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2008.

SEC. 526. SECRETARY OF DEFENSE EVALUATION OF THE ADEQUACY OF THE DEGREE-GRANTING AUTHORITIES OF CERTAIN MILITARY UNIVERSITIES AND EDUCATIONAL INSTITUTIONS.

(a) EVALUATION REQUIRED.—The Secretary of Defense shall carry out an evaluation of the degree-granting authorities provided by title 10, United States Code, to the academic institutions specified in subsection (b). The evaluation shall assess whether the current process, under which each degree conferred by each institution must have a statutory authorization, remains adequate, appropriate, and responsive enough to meet emerging military service education requirements.

(b) SPECIFIED INSTITUTIONS.—The academic institutions covered by subsection (a) are the following:

(1) The National Defense University.

(2) The Army War College and the United States Army Command and General Staff College.

(3) The College of Naval Warfare and the College of Naval Command and Staff.

(4) The United States Naval Postgraduate School.

(5) Air University and the United States Air Force Institute of Technology.

(6) The Marine Corps University.

(c) REPORT.—Not later than April 1, 2008, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the evaluation. The report shall include the results of the evaluation and any recommendations for changes to policy or law that the Secretary considers appropriate.

SEC. 527. NAVY JUNIOR RESERVE OFFICERS' TRAINING CORPS UNIT FOR SOUTHOLD, MATTITUCK, AND GREENPORT HIGH SCHOOLS.

For purposes of meeting the requirements of section 2031(b) of title 10, United States Code, the Secretary of the Navy may, and to the extent the schools request shall,

treat any two or more of the following schools (all in Southold, Suffolk County, New York) as a single institution:

(1) Southold High School.

(2) Mattituck High School.

(3) Greenport High School.

Subtitle D—General Service Authorities

SEC. 531. AUTHORITY TO REDUCE REQUIRED SERVICE OBLIGATION FOR INITIAL APPOINTMENT OF QUALIFIED HEALTH PROFESSIONALS AS OFFICERS IN CRITICAL SPECIALTIES.

Section 651 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) For the armed forces under the jurisdiction of the Secretary of Defense, the Secretary may reduce the total initial period of required service to less than the minimum otherwise established pursuant to subsection (a) in the case of the initial appointment of a commissioned officer in a critically short health professional specialty, as determined by the Secretary. The period of required service may not be reduced to less than two years.".

SEC. 532. REENLISTMENT IN FORMER ENLISTED GRADE AFTER SERVICE AS AN OFFICER.

(a) REGULAR ARMY.—Section 3258 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "a Reserve officer" and inserting "an officer"; and

(B) by striking "a temporary appointment" and inserting "an appointment"; and

(2) in subsection (b)—

(A) in paragraph (1), by striking "a Reserve officer" and inserting "an officer"; and

(B) in paragraph (2), by striking "Reserve".

(b) REGULAR AIR FORCE.—Section 8258 of such title is amended—

(1) in subsection (a)—

(A) by striking "a reserve officer" and inserting "an officer"; and

(B) by striking "a temporary appointment" and inserting "an appointment"; and

(2) in subsection (b)—

(A) in paragraph (1), by striking "a Reserve officer" and inserting "an officer"; and

(B) in paragraph (2), by striking "Reserve".

Subtitle E—Military Justice and Legal Assistance Matters

SEC. 541. AUTHORITY TO DESIGNATE CERTAIN CIVILIAN EMPLOYEES OF THE FEDERAL GOVERNMENT AS ELIGIBLE FOR LEGAL ASSISTANCE FROM DEPARTMENT OF DEFENSE LEGAL STAFF RESOURCES.

Section 1044(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(6) Civilian employees of the Federal Government serving with, or preparing to serve with, an armed force in support of a contingency operation, as designated in regulations prescribed by the Secretary concerned.".

Subtitle F—Decorations and Awards

SEC. 551. AUTHORIZATION AND REQUEST FOR AWARD OF MEDAL OF HONOR TO LESLIE H. SABO, JR., FOR ACTS OF VALOR DURING THE VIETNAM WAR.

(a) AUTHORIZATION.—Notwithstanding the time limitations specified in section 3744 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the Armed Forces, the President is authorized and requested to

award the Medal of Honor under section 3741 of such title to Leslie H. Sabo, Jr., for the acts of valor during the Vietnam War described in subsection (b).

(b) ACTS OF VALOR DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of Leslie H. Sabo, Jr., on May 10, 1970, as a member of the United States Army serving in the grade of Specialist Four in the Republic of Vietnam with Company B of the 3d Battalion, 506th Infantry Regiment, 101st Airborne Division.

SEC. 552. AUTHORIZATION AND REQUEST FOR AWARD OF MEDAL OF HONOR TO HENRY SVEHLA FOR ACTS OF VALOR DURING THE KOREAN WAR.

(a) AUTHORIZATION.—Notwithstanding the time limitations specified in section 3744 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the Armed Forces, the President is authorized and requested to award the Medal of Honor under section 3741 of such title to Henry Svehla for the acts of valor described in subsection (b).

(b) ACTS OF VALOR DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of Henry Svehla on June 12, 1952, as a member of the United States Army serving in the grade of Private First Class in Korea with

Company F of the 32d Infantry Regiment, 7th Infantry Division.

SEC. 553. AUTHORIZATION AND REQUEST FOR AWARD OF MEDAL OF HONOR TO WOODROW W. KEEBLE FOR ACTS OF VALOR DURING THE KOREAN WAR.

(a) WAIVER OF TIME LIMITATIONS.—Notwithstanding the time limitations specified in section 3744 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the Armed Forces, the President is authorized and requested to award the Medal of Honor under section 3741 of such title to Woodrow W. Keeble for the acts of valor described in subsection (b).

(b) ACTS OF VALOR DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of Woodrow W. Keeble of the United States Army as an acting platoon leader on October 20, 1950, during the Korean War.

SEC. 554. AUTHORIZATION AND REQUEST FOR AWARD OF MEDAL OF HONOR TO PRIVATE PHILIP G. SHADRACH FOR ACTS OF VALOR DURING THE CIVIL WAR.

(a) AUTHORIZATION.—Notwithstanding the time limitations specified in section 3744 of title 10, United States Code, or any other time limitation with respect to the

awarding of certain medals to persons who served in the Armed Forces, the President is authorized and requested to award the Medal of Honor under section 3741 of title 10, United States Code, posthumously to Private Philip G. Shadrach of Company K, 2nd Ohio Volunteer Infantry Regiment for the acts of valor described in subsection (b).

(b) ACTS OF VALOR DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of Philip G. Shadrach as one of Andrews Raiders during the Civil War on April 12, 1862.

SEC. 555. AUTHORIZATION AND REQUEST FOR AWARD OF MEDAL OF HONOR TO PRIVATE GEORGE D. WILSON FOR ACTS OF VALOR AS ONE OF ANDREWS RAIDERS DURING THE CIVIL WAR.

(a) AUTHORIZATION.—The President is authorized and requested to award the Medal of Honor under section 3741 of title 10, United States Code, posthumously to Private George D. Wilson of Company B, 2nd Ohio Volunteer Infantry Regiment for the acts of valor described in subsection (b).

(b) ACTS OF VALOR DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of George D. Wilson as one of Andrews Raiders during the Civil War on April 12, 1862.

SEC. 556. COLD WAR VICTORY MEDAL.

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

"§ 1135. Cold War Victory Medal

"(a) MEDAL AUTHORIZED.—The Secretary concerned shall issue a service medal, to be known as the 'Cold War Victory Medal', to persons eligible to receive the medal under subsection (b). The Cold War Victory Medal shall be of an appropriate design approved by the Secretary of Defense, with ribbons, lapel pins, and other appurtenances.

"(b) ELIGIBLE PERSONS.—The following persons are eligible to receive the Cold War Victory Medal:

"(1) A person who—

"(A) performed active duty or inactive duty training as an enlisted member during the Cold War;

"(B) completed the person's initial term of enlistment or, if discharged before completion of such initial term of enlistment, was honorably discharged after completion of not less than 180 days of service on active duty; and

"(C) has not received a discharge less favorable than an honorable discharge or a release from active duty with a characterization of service less favorable than honorable.

"(2) A person who—

"(A) performed active duty or inactive duty training as a commissioned officer or warrant officer during the Cold War;

"(B) completed the person's initial service obligation as an officer or, if discharged or separated before completion of such initial service obligation, was honorably discharged after completion of not less than 180 days of service on active duty; and

"(C) has not been released from active duty with a characterization of service less favorable than honorable and has not received a discharge or separation less favorable than an honorable discharge.

"(c) ONE AWARD AUTHORIZED.—Not more than one Cold War Victory Medal may be issued to any person.

"(d) ISSUANCE TO REPRESENTATIVE OF DECEASED.—If a person described in subsection (b) dies before being issued the Cold War Victory Medal, the medal shall be issued to the person's representative, as designated by the Secretary concerned.

"(e) REPLACEMENT.—Under regulations prescribed by the Secretary concerned, a Cold War Victory Medal that is lost, destroyed, or rendered unfit for use without fault

or neglect on the part of the person to whom it was issued may be replaced without charge.

"(f) APPLICATION FOR MEDAL.—The Cold War Victory Medal shall be issued upon receipt by the Secretary concerned of an application for such medal, submitted in accordance with such regulations as the Secretary prescribes.

"(g) UNIFORM REGULATIONS.—The Secretary of Defense shall ensure that regulations prescribed by the Secretaries of the military departments under this section are uniform so far as is practicable.

"(h) DEFINITION.—In this section, the term 'Cold War' means the period beginning on September 2, 1945, and ending at the end of December 26, 1991.".

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

"1135. Cold War Victory Medal.".

Subtitle G—Impact Aid and Defense Dependents Education System

SEC. 561. TUITION ASSISTANCE FOR MILITARY DEPENDENTS IN OVERSEAS AREAS WHERE SCHOOLS OPERATED BY DEFENSE DEPENDENTS' EDUCATION SYSTEM ARE NOT REASONABLY AVAILABLE.

Section 1407(b)(1) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926(b)(1)) is amended in the first sentence by inserting ", including private boarding schools in the United States," after "attend schools".

SEC. 562. CONTINUATION OF AUTHORITY TO ASSIST LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) ASSISTANCE TO SCHOOLS WITH SIGNIFICANT NUMBERS OF MILITARY DEPENDENT STUDENTS.—Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities, $50,000,000 shall be available only for the purpose of providing assistance to local educational agencies under subsection (a) of section 572 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3271; 20 U.S.C. 7703b).

(b) ASSISTANCE TO SCHOOLS WITH ENROLLMENT CHANGES DUE TO BASE CLOSURES, FORCE STRUCTURE CHANGES, OR FORCE RELOCATIONS.—Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities, $15,000,000 shall be available only for the purpose of providing assistance to local educational agencies under subsection (b) of such section 572.

(c) LOCAL EDUCATIONAL AGENCY DEFINED.—In this section, the term "local educational agency" has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

Subtitle H—Other Matters

SEC. 571. EXTENSION OF AUTHORITY TO ACCEPT GIFTS, DEVISES, OR BEQUESTS TO BENEFIT MEMBERS OF THE ARMED FORCES, DEPENDENTS, AND CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.

Section 2601(b)(4) of title 10, United States Code, is amended by striking "December 31, 2007" and inserting "December 31, 2010".

SEC. 572. UNIFORM PERFORMANCE POLICIES FOR MILITARY BANDS AND OTHER MUSICAL UNITS.

(a) IN GENERAL.—

(1) CONSOLIDATION OF SEPARATE AUTHORITIES.—Chapter 49 of title 10, United States Code, is amended by inserting after section 973 the following new section:

"§ 974. Uniform performance policies for military bands and other musical units

"(a) RESTRICTIONS ON COMPETITION AND REMUNERATION.—Bands, ensembles, choruses, or similar musical units of the armed forces, including individual members of such a unit performing in an official capacity, may not—

"(1) perform music in competition with local civilian musicians; or

"(2) receive remuneration for official performances.

"(b) MEMBERS.—A member of a band, ensemble, chorus, or similar musical unit of the armed forces may perform music in the member's personal capacity, as an individual or part of a group, for remuneration or otherwise, if the member does not wear a military uniform for the performance, does not identify himself or herself as a member of the armed forces in connection with the performance, and complies with all applicable regulations and standards of conduct.

"(c) RECORDINGS.—Bands, ensembles, choruses, or similar musical units of the armed forces, when authorized

pursuant to Department of Defense regulations, may produce recordings for distribution to the public at a cost not to exceed production and distribution expenses. The proceeds from such recordings shall be credited to the appropriation used to cover production and distribution expenses.

"(d) COMPETITION DEFINED.—(1) In this section, the term 'perform music in competition with local civilian musicians' includes performances—

"(A) that are more than incidental to events that are not supported solely by appropriated funds and are not free to the public; and

"(B) of background, dinner, dance, or other social music at events, regardless of location, that are not supported solely by appropriated funds.

"(2) The term does not include performances—

"(A) at official Federal Government events that are supported solely by appropriated funds;

"(B) at concerts, parades, and other events that are patriotic events or celebrations of national holidays and are free to the public; or

"(C) that are incidental, such as short performances of military or patriotic music to open or close events, to events that are not supported solely by appropriated funds, in compliance with applicable rules and regulations.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 973 the following new item:

"974. Uniform performance policies for military bands and other musical units.".

(b) REPEAL OF SEPARATE SERVICE AUTHORITIES.—

(1) REPEAL.—Sections 3634, 6223, and 8634 of such title are repealed.

(2) TABLE OF SECTIONS.—(A) The table of sections at the beginning of chapter 349 of such title is amended by striking the item relating to section 3634.

(B) The table of sections at the beginning of chapter 565 of such title is amended by striking the item relating to section 6223.

(C) The table of sections at the beginning of chapter 849 of such title is amended by striking the item relating to section 8634.

SEC. 573. REPEAL OF LIMITATION ON NUMBER OF ACADEMIES OF DEPARTMENT OF DEFENSE STARBASE PROGRAM IN A SINGLE STATE.

Section 2193b(c) of title 10, United States Code, is amended by striking paragraph (3).

SEC. 574. COMBAT VETERANS MENTORING PROGRAM FOR CURRENT MEMBERS OF THE ARMED FORCES.

(a) PROGRAM REQUIRED.—The Secretary of Defense, in coordination with the Secretaries of the military depart-

ments, shall institute a program to give veterans of the Armed Forces who have served in combat the opportunity to meet on a regular basis with, to inform, to exchange ideas with, and to mentor current members of the Armed Forces.

(b) ELEMENTS OF PROGRAM.—The program may build on existing programs within the military departments, where they exist, and shall focus on providing members of the Armed Forces, particularly military personnel and leaders at the small unit level, varied perspectives on both the human and military aspects of war from those who have experienced it. In carrying out the program, the Secretary shall seek to provide opportunities for the combat veterans not only to meet with current members of the Armed Forces before and after their deployment to combat zones, but also during deployments.

SEC. 575. RECOGNITION OF MEMBERS OF THE MONUMENTS, FINE ARTS, AND ARCHIVES PROGRAM OF THE CIVIL AFFAIRS AND MILITARY GOVERNMENT SECTIONS OF THE ARMED FORCES DURING AND FOLLOWING WORLD WAR II.

Congress hereby—

(1) recognizes the men and women who served in the Monuments, Fine Arts, and Archives program (MFAA) under the Civil Affairs and Military Government Sections of the United States Armed Forces for

their heroic role in the preservation, protection, and restitution of monuments, works of art, and other artifacts of inestimable cultural importance in Europe and Asia during and following World War II;

(2) recognizes that without their dedication and service, many more of the world's artistic and historic treasures would have been destroyed or lost forever amidst the chaos and destruction of World War II;

(3) acknowledges that the detailed catalogues, documentation, inventories, and photographs developed and compiled by MFAA personnel during and following World War II, have made, and continue to make, possible the restitution of stolen works of art to their rightful owners; and

(4) commends and extols the members of the MFAA for establishing a precedent for action to protect cultural property in the event of armed conflict, and by their action setting a standard not just for one country, but for people of all nations to acknowledge and uphold.

SEC. 576. PROGRAM TO COMMEMORATE 50TH ANNIVERSARY OF THE VIETNAM WAR.

(a) COMMEMORATIVE PROGRAM.—The Secretary of Defense shall conduct a program to commemorate the 50th anniversary of the Vietnam War. In conducting the com-

memorative program, the Secretary shall coordinate, support, and facilitate other programs and activities of the Federal Government, State and local governments, and other persons and organizations in commemoration of the Vietnam War.

(b) COMMENCEMENT AND DURATION OF PROGRAM.—The commemorative program shall commence not later than 180 days after the date of the enactment of this Act and continue through December 31, 2025. The Secretary of Defense shall determine the schedule of major events and priority of efforts during that period in order to ensure achievement of the objectives specified in subsection (c).

(c) COMMEMORATIVE ACTIVITIES AND OBJECTIVES.—The commemorative program may include activities and ceremonies to achieve the following objectives:

(1) To thank and honor veterans of the Vietnam War, including personnel who were held as prisoners of war or listed as missing in action, for their service and sacrifice on behalf of the United States and to thank and honor the families of these veterans.

(2) To highlight the service of the Armed Forces during the Vietnam War and the contributions of Federal agencies and governmental and non-governmental organizations that served with, or in support of, the Armed Forces.

(3) To pay tribute to the contributions made on the home front by the people of the United States during the Vietnam War.

(4) To highlight the advances in technology, science, and medicine related to military research conducted during the Vietnam War.

(5) To recognize the contributions and sacrifices made by the allies of the United States during the Vietnam War.

(d) NAMES AND SYMBOLS.—The Secretary of Defense shall have the sole and exclusive right to use the name "The United States of America Vietnam War Commemoration", and such seal, emblems, and badges incorporating such name as the Secretary may lawfully adopt. Nothing in this section may be construed to supersede rights that are established or vested before the date of the enactment of this Act.

(e) COMMEMORATIVE FUND.—

(1) ESTABLISHMENT AND ADMINISTRATION.—There is established in the Treasury of the United States an account to be known as the "Department of Defense Vietnam War Commemoration Fund" (in this section referred to as the "Fund"). The Fund shall be administered by the Secretary of Defense.

(2) USE OF FUND.—The Secretary shall use the assets of the Fund only for the purpose of conducting

the commemorative program and shall prescribe such regulations regarding the use of the Fund as the Secretary considers to be necessary.

(3) DEPOSITS.—There shall be deposited into the Fund—

(A) amounts appropriated to the Fund;

(B) proceeds derived from the Secretary's use of the exclusive rights described in subsection (d);

(C) donations made in support of the commemorative program by private and corporate donors; and

(D) funds transferred to the Fund by the Secretary from funds appropriated for fiscal year 2008 and subsequent years for the Department of Defense.

(4) AVAILABILITY.—Subject to subsection (g)(2), amounts deposited under paragraph (3) shall constitute the assets of the Fund and remain available until expended.

(5) BUDGET REQUEST.—Beginning with the budget justification materials submitted by the Secretary in support of the budget of the President for fiscal year 2009, the Secretary shall establish a separate budget line for the commemorative program. In

the budget justification materials, the Secretary shall—

(A) identify and explain the amounts expended for the commemorative program in the year preceding the budget request;

(B) identify and explain the amounts being requested to support the commemorative program for the fiscal year of the budget request and two subsequent years; and

(C) present a summary of the fiscal status of the Fund.

(f) ACCEPTANCE OF VOLUNTARY SERVICES.—

(1) AUTHORITY TO ACCEPT SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Secretary of Defense may accept from any person voluntary services to be provided in furtherance of the commemorative program.

(2) TREATMENT OF VOLUNTEERS.—A person providing voluntary services under this subsection shall be considered to be a Federal employee for purposes of chapter 81 of title 5, United States Code, relating to compensation for work-related injuries. The person shall also be considered a special governmental employee for purposes of standards of conduct and sections 202, 203, 205, 207, 208, and 209 of title 18,

United States Code. A person who is not otherwise employed by the Federal Government shall not be considered to be a Federal employee for any other purpose by reason of the provision of voluntary services under this subsection.

(3) REIMBURSEMENT OF INCIDENTAL EXPENSES.—The Secretary may provide for reimbursement of incidental expenses incurred by a person providing voluntary services under this subsection. The Secretary shall determine which expenses are eligible for reimbursement under this paragraph.

(g) FINAL REPORT.—

(1) REPORT REQUIRED.—Not later than 60 days after the end of the commemorative period specified in subsection (b), the Secretary of Defense shall submit to Congress a report containing an accounting of—

(A) all of the funds deposited into and expended from the Fund;

(B) any other funds expended under this section; and

(C) any unobligated funds remaining in the Fund.

(2) TREATMENT OF UNOBLIGATED FUNDS.—Unobligated amounts remaining in the Fund as of the end of the commemorative period specified in sub-

section (b) shall be held in the Fund until transferred by law.

(h) LIMITATION ON EXPENDITURES.—Total expenditures from the Fund, using amounts appropriated to the Department of Defense, may not exceed $5,000,000 for fiscal year 2008 or for any subsequent fiscal year to carry out the commemorative program.

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $3,000,000 to the Fund for fiscal year 2008.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Fiscal year 2008 increase in military basic pay.
Sec. 602. Basic allowance for housing for reserve component members without dependents who attend accession training while maintaining a primary residence.
Sec. 603. Income replacement payments for reserve component members experiencing extended and frequent mobilization for active duty service.
Sec. 604. Participation of members of the uniformed services in Thrift Savings Plan.
Sec. 605. Enhancement of referral bonus to encourage service in the Army.
Sec. 606. Guaranteed pay increase for members of the Armed Forces of one-half of one percentage point higher than Employment Cost Index.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. Extension of certain bonus and special pay authorities for reserve forces.
Sec. 612. Extension of certain bonus and special pay authorities for health care professionals.
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. Increase in incentive special pay and multiyear retention bonus for medical officers.
Sec. 616. Increase in dental officer additional special pay.
Sec. 617. Definition of sea duty for career sea pay to include multi-crew ships.
Sec. 618. Reenlistment bonus for members of the Selected Reserve.

Sec. 619. Availability of Selected Reserve accession bonus for persons who previously served in the Armed Forces for a short period.
Sec. 620. Availability of nuclear officer continuation pay for officers with more than 26 years of commissioned service.
Sec. 621. Waiver of years-of-service limitation on receipt of critical skills retention bonus.
Sec. 622. Accession bonus for participants in the Armed Forces Health Professional Scholarship and Financial Assistance Program.
Sec. 623. Payment of assignment incentive pay for Reserve members serving in combat zone for more than 22 months.
Sec. 624. Increase in maximum monthly rate of hardship duty pay.

Subtitle C—Travel and Transportation Allowances

Sec. 631. Allowance for participation in Reserve screening conducted through electronic means.
Sec. 632. Allowance for civilian clothing for members of the Armed Forces traveling in connection with medical evacuation.
Sec. 633. Moving expenses for JROTC instructors who agree to serve in hard-to-fill positions.
Sec. 634. Transportation of additional motor vehicle of members on change of permanent station to or from nonforeign areas outside the continental United States.
Sec. 635. Payment of inactive duty training travel costs for certain Selected Reserve members.

Subtitle D—Retired Pay and Survivor Benefits

Sec. 641. Disregarding periods of confinement of member in determining benefits for dependents who are victims of abuse by the member.
Sec. 642. Continuation of authority for members of the Armed Forces to designate a recipient for a portion of the death gratuity.
Sec. 643. Recoupment of annuity amounts previously paid, but subject to offset for dependency and indemnity compensation.
Sec. 644. Special survivor indemnity allowance for persons affected by required Survivor Benefit Plan annuity offset for dependency and indemnity compensation.
Sec. 645. Expansion of combat-related special compensation eligibility for chapter 61 military retirees with fewer than 20 years of creditable service.

Subtitle E—Commissary and Nonappropriated Fund Instrumentality Benefits

Sec. 651. Access to Defense Commissary and Exchange System by surviving spouse and dependents of certain disabled veterans.
Sec. 652. Authority to continue commissary and exchange benefits for certain involuntarily separated members of the Armed Forces.
Sec. 653. Authorization of installment deductions from pay of employees of executive branch instrumentalities to collect indebtedness to the United States.

Subtitle F—Consolidation of Special Pay, Incentive Pay, and Bonus Authorities

Sec. 661. Consolidation of special pay, incentive pay, and bonus authorities of the uniformed services.
Sec. 662. Transitional provisions.

Subtitle G—Other Matters

Sec. 671. Expansion of education loan repayment program for members of the Selected Reserve.
Sec. 672. Ensuring entry into United States after time abroad for permanent resident alien military spouses and children.
Sec. 673. Overseas naturalization for military spouses and children.

Subtitle A—Pay and Allowances

SEC. 601. FISCAL YEAR 2008 INCREASE IN MILITARY BASIC PAY.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during fiscal year 2008 required by section 1009 of title 37, United States Code, in the rates of monthly basic pay authorized members of the uniformed services shall not be made.

(b) INCREASE IN BASIC PAY.—Effective on January 1, 2008, the rates of monthly basic pay for members of the uniformed services are increased by 3.5 percent.

(c) SOURCE OF FUNDS FOR PORTION OF FISCAL YEAR 2008 OBLIGATIONS.—During fiscal year 2008, the funds necessary to satisfy the obligations incurred by the Department of Defense to provide the increase under subsection (b) in the rates of monthly basic pay for members of the Army, Navy, Air Force, and Marine Corps in excess of 3 percent shall be derived from amounts appropriated pursuant to the authorization of appropriations in section 1514 for military personnel accounts of the Department.

SEC. 602. BASIC ALLOWANCE FOR HOUSING FOR RESERVE COMPONENT MEMBERS WITHOUT DEPENDENTS WHO ATTEND ACCESSION TRAINING WHILE MAINTAINING A PRIMARY RESIDENCE.

(a) AVAILABILITY OF ALLOWANCE.—Section 403(g)(1) of title 37, United States Code, is amended—

(1) by inserting "to attend accession training," after "active duty" the first place it appears; and

(2) by inserting a comma after "contingency operation" the first place it appears.

(b) SOURCE OF FUNDS FOR PORTION OF FISCAL YEAR 2008 OBLIGATIONS.—During fiscal year 2008, the funds necessary to satisfy the obligations incurred by the Department of Defense as a result of the amendment made by subsection (a)(1) to provide a basic allowance for housing for reserve component members without dependents who attend accession training while maintaining a primary residence shall be derived from amounts appropriated pursuant to the authorization of appropriations in section 1514 for military personnel accounts of the Department.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to months beginning on or after October 1, 2007.

SEC. 603. INCOME REPLACEMENT PAYMENTS FOR RESERVE COMPONENT MEMBERS EXPERIENCING EXTENDED AND FREQUENT MOBILIZATION FOR ACTIVE DUTY SERVICE.

(a) CLARIFICATION REGARDING WHEN PAYMENTS REQUIRED.—Subsection (a) of section 910 of title 37, United States Code, is amended by inserting before the period at the end of the first sentence the following: ", when the total monthly military compensation of the member is less than the average monthly civilian income of the member".

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

"(b) ELIGIBILITY.—(1) A member of a reserve component is entitled to a payment under this section for any full month of active duty of the member, when the total monthly military compensation of the member is less than the average monthly civilian income of the member, while the member is on active duty under an involuntary mobilization order, following the date on which the member—

"(A) completes 540 continuous days of service on active duty under an involuntary mobilization order;

"(B) completes 720 cumulative days on active duty under an involuntary mobilization order during the previous 1,800 days; or

"(C) is involuntarily mobilized for service on active duty for a period of 180 days or more within 180

days after the date of the member's separation from a previous period of active duty for a period of 180 days or more.

"(2) The entitlement of a member of a reserve component to a payment under this section also shall commence or, if previously commenced under paragraph (1), shall continue if the member—

"(A) satisfies the required number of days on active duty specified in subparagraph (A) or (B) of paragraph (1) or was involuntarily mobilized as provided in subparagraph (C) of such paragraph; and

"(B) is retained on active duty under subparagraph (A) or (B) of section 12301(h)(1) of title 10 because of an injury or illness incurred or aggravated while the member was assigned to duty in an area for which special pay under section 310 of this title is available.".

(c) TERMINATION OF AUTHORITY.—Subsection (g) of such section is amended to read as follows:

"(g) TERMINATION.—No payment shall be made to a member under this section for months beginning after December 31, 2008, unless the entitlement of the member to payments under this section commenced on or before that date.".

SEC. 604. PARTICIPATION OF MEMBERS OF THE UNIFORMED SERVICES IN THRIFT SAVINGS PLAN.

(a) SEMI-MONTHLY DEPOSIT OF MEMBER'S CONTRIBUTIONS.—Section 1014 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(c) Notwithstanding subsection (a), in the case of a member of the uniformed services who has elected to participate in the Thrift Savings Plan under section 211 of this title, one-half of the monthly contribution of the member to the Plan shall be made in midmonth.".

(b) SEMI-MONTHLY REPAYMENT OF BORROWED AMOUNTS.—Section 211 of such title is amended by adding at the end the following new subsection:

"(e) REPAYMENT OF AMOUNTS BORROWED FROM MEMBER ACCOUNT.—If a loan is issued to a member under section 8433(g) of title 5 from funds in the member's account in the Thrift Savings Plan, repayment of the loan shall be required on the same semi-monthly basis as authorized for contributions to the Fund under section 1014(c) of this title.".

SEC. 605. ENHANCEMENT OF REFERRAL BONUS TO ENCOURAGE SERVICE IN THE ARMY.

(a) INDIVIDUALS ELIGIBLE FOR BONUS.—Section 645 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3310) is amended—

(1) in subsection (a)(1), by striking "enlists" and inserting "enlists, or is appointed as an officer to serve in a health profession designated by the Secretary,"; and

(2) in subsection (b), by inserting "or appointment" after "enlisting" both places it appears.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to bonuses payable under section 645 of the National Defense Authorization Act for Fiscal Year 2006 on or after the date of the enactment of this Act.

SEC. 606. GUARANTEED PAY INCREASE FOR MEMBERS OF THE ARMED FORCES OF ONE-HALF OF ONE PERCENTAGE POINT HIGHER THAN EMPLOYMENT COST INDEX.

(a) INCREASE.—Section 1009(c)(2) of title 37, United States Code, is amended "fiscal years 2004, 2005, and 2006" and inserting "fiscal years 2009 through 2012".

(b) APPLICABILITY.—The amendment made by subsection (a) shall only apply with respect to the Army, Navy, Air Force and Marine Corps, including reserve components thereof.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(g) of title 37, United States Code, is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(b) SELECTED RESERVE AFFILIATION OR ENLISTMENT BONUS.—Section 308c(i) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(c) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(d) READY RESERVE ENLISTMENT BONUS FOR PERSONS WITHOUT PRIOR SERVICE.—Section 308g(f)(2) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(e) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS FOR PERSONS WITH PRIOR SERVICE.—Section 308h(e) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(f) SELECTED RESERVE ENLISTMENT BONUS FOR PERSONS WITH PRIOR SERVICE.—Section 308i(f) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

SEC. 612. EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR HEALTH CARE PROFESSIONALS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(b) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of such title is amended by striking "January 1, 2008" and inserting "January 1, 2010".

(c) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(d) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(e) SPECIAL PAY FOR SELECTED RESERVE HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(e) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(f) ACCESSION BONUS FOR DENTAL OFFICERS.—Section 302h(a)(1) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(g) ACCESSION BONUS FOR PHARMACY OFFICERS.—Section 302j(a) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(h) ACCESSION BONUS FOR MEDICAL OFFICERS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302k(f) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(i) ACCESSION BONUS FOR DENTAL SPECIALIST OFFICERS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302l(g) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

SEC. 613. EXTENSION OF SPECIAL PAY AND BONUS AUTHORITIES FOR NUCLEAR OFFICERS.

(a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(f) of title 37, United States Code, is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(b) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(c) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

SEC. 614. EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(b) ASSIGNMENT INCENTIVE PAY.—Section 307a(g) of such title is amended by striking "December 31, 2008" and inserting "December 31, 2009".

(c) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(d) ENLISTMENT BONUS.—Section 309(e) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(e) RETENTION BONUS FOR MEMBERS WITH CRITICAL MILITARY SKILLS OR ASSIGNED TO HIGH PRIORITY

UNITS.—Section 323(i) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(f) ACCESSION BONUS FOR NEW OFFICERS IN CRITICAL SKILLS.—Section 324(g) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(g) INCENTIVE BONUS FOR CONVERSION TO MILITARY OCCUPATIONAL SPECIALTY TO EASE PERSONNEL SHORTAGE.—Section 326(g) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(h) INCENTIVE BONUS FOR TRANSFER BETWEEN THE ARMED FORCES.—Section 327(h) of such title is amended by striking "December 31, 2009" and inserting "December 31, 2010".

(i) ACCESSION BONUS FOR OFFICER CANDIDATES.—Section 330(f) of such title is amended by striking "December 31, 2007" and inserting "December 31, 2009".

(j) ARMY REFERRAL BONUS.—Subsection (h) of section 645 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3310), as redesignated by section 624(e) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2258), is amended by striking "December 31, 2007" and inserting "December 31, 2009".

SEC. 615. INCREASE IN INCENTIVE SPECIAL PAY AND MULTIYEAR RETENTION BONUS FOR MEDICAL OFFICERS.

(a) INCENTIVE SPECIAL PAY.—Section 302(b)(1) of title 37, United States Code, is amended by striking "$50,000" and inserting "$75,000".

(b) MULTIYEAR RETENTION BONUS.—Section 301d(a)(2) of such title is amended by striking "$50,000" and inserting "$75,000".

SEC. 616. INCREASE IN DENTAL OFFICER ADDITIONAL SPECIAL PAY.

Section 302b(a)(4) of title 37, United States Code, is amended—

(1) by striking "shall be paid at the following rates" in the matter preceding subparagraph (A) and inserting "shall not exceed the following:";

(2) in subparagraph (A), by striking "$4,000" and inserting "$10,000"; and

(3) in subparagraph (B), by striking "$6,000" and inserting "$12,000".

SEC. 617. DEFINITION OF SEA DUTY FOR CAREER SEA PAY TO INCLUDE MULTI-CREW SHIPS.

Section 305a(e)(1)(A) of title 37, United States Code, is amended—

(1) by striking "or" at the end of clause (ii); and

(2) by adding at the end the following new clause:

"(iv) while serving as an off-cycle crewmember of a multi-crewed ship; or".

SEC. 618. REENLISTMENT BONUS FOR MEMBERS OF THE SELECTED RESERVE.

(a) MINIMUM TERM OF REENLISTMENT OR ENLISTMENT EXTENSION.—Subsection (a)(2) of 308b of title 37, United States Code, is amended by striking "his enlistment for a period of three years or for a period of six years" and inserting "an enlistment for a period of at least three years".

(b) MAXIMUM BONUS AMOUNT.—Subsection (b)(1) of such section is amended by striking "may not exceed" and all that follows through the end of the paragraph and inserting "may not exceed $15,000.".

(c) CONFORMING AMENDMENT REGARDING ELIGIBILITY REQUIREMENTS.—Subsection (c) of such section is amended—

(1) by striking the subsection heading and paragraph (1) and inserting "WAIVER OF CONDITION ON ELIGIBILITY.—"; and

(2) by striking "paragraph (1)(B) or".

SEC. 619. AVAILABILITY OF SELECTED RESERVE ACCESSION BONUS FOR PERSONS WHO PREVIOUSLY SERVED IN THE ARMED FORCES FOR A SHORT PERIOD.

Section 308c(c)(1) of title 37, United States Code, is amended by inserting before the semicolon the following: "or has served in the armed forces, but was released from such service before completing the basic training requirements of the armed force of which the person was a member and the service was characterized as either honorable or uncharacterized".

SEC. 620. AVAILABILITY OF NUCLEAR OFFICER CONTINUATION PAY FOR OFFICERS WITH MORE THAN 26 YEARS OF COMMISSIONED SERVICE.

Section 312 of title 37, United States Code, is amended—

(1) in subsection (a)(3), by striking "26 years" and inserting "30 years"; and

(2) in subsection (e)(1), by striking "26 years" and inserting "30 years".

SEC. 621. WAIVER OF YEARS-OF-SERVICE LIMITATION ON RECEIPT OF CRITICAL SKILLS RETENTION BONUS.

Section 323(e) of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(4) The Secretary of Defense, or the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy, may waive the limitations in paragraph (1) with respect to a member who, during the period of active duty or service in an active status in a reserve component for which the bonus is being offered, is assigned duties in a skill designated as critical under subsection (b)(1). The authority to grant a waiver under this paragraph may not be delegated below the Undersecretary of Defense for Personnel and Readiness or the Deputy Secretary of the Department of Homeland Security.".

SEC. 622. ACCESSION BONUS FOR PARTICIPANTS IN THE ARMED FORCES HEALTH PROFESSIONAL SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

(a) ACCESSION BONUS AUTHORIZED.—Subchapter I of chapter 105 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2128. Accession bonus for members of the program

"(a) AVAILABILITY OF BONUS.—The Secretary of Defense may offer a person who enters into an agreement under section 2122(a)(2) of this title an accession bonus of not more than $20,000 as part of the agreement.

"(b) REPAYMENT.—A person who receives an accession bonus under this section, but fails to comply with the agreement under section 2122(a)(2) of this title or to commence or complete the active duty obligation imposed by section 2123 of this title, shall be subject to the repayment provisions of section 303a(e) of title 37.".

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

"2128. Accession bonus for members of the program.".

SEC. 623. PAYMENT OF ASSIGNMENT INCENTIVE PAY FOR RESERVE MEMBERS SERVING IN COMBAT ZONE FOR MORE THAN 22 MONTHS.

(a) PAYMENT.—The Secretary of a military department may pay assignment incentive pay under section 307a of title 37, United States Code, to a member of a reserve component under the jurisdiction of the Secretary for each month during the eligibility period of the member determined under subsection (b) during which the member served for any portion of the month in a combat zone associated with Operating Enduring Freedom or Operation Iraqi Freedom in excess of 22 months of qualifying service.

(b) ELIGIBILITY PERIOD.—The eligibility period for a member extends from January 1, 2005, through the end of the active duty service of the member in a combat zone associated with Operating Enduring Freedom or Operation

Iraqi Freedom if the service on active duty during the member's most recent period of mobilization to active duty began before January 19, 2007.

(c) AMOUNT OF PAYMENT.—The monthly rate of incentive pay payable to a member under this section is $1,000.

(d) QUALIFYING SERVICE.—For purposes of this section, qualifying service includes cumulative mobilized service on active duty under sections 12301(d), 12302, and 12304 of title 10, United States Code, during the period beginning on January 1, 2003, through the end of the member's active duty service during the member's most recent period of mobilization to active duty beginning before January 19, 2007.

SEC. 624. INCREASE IN MAXIMUM MONTHLY RATE OF HARDSHIP DUTY PAY.

(a) INCREASE.—Effective October 1, 2007, section 305(a) of title 37, United States Code, is amended by striking "$750" and inserting "$1,500".

(b) FUNDING SOURCE.—Of the amounts authorized to be appropriated to the Department of Defense for military personnel accounts for fiscal year 2008, not more than $79,000,000 shall be available to cover the additional costs incurred to implement the amendment made by subsection (a).

Subtitle C—Travel and Transportation Allowances

SEC. 631. ALLOWANCE FOR PARTICIPATION IN RESERVE SCREENING CONDUCTED THROUGH ELECTRONIC MEANS.

(a) ALLOWANCE FOR ELECTRONIC RESERVE SCREENING.—Section 433 of title 37, United States Code, is amended—

(1) in subsection (a), by inserting "ALLOWANCE FOR MUSTER DUTY.—(1)" before "Under";

(2) by redesignating subsection (b) as paragraph (2) of subsection (a), and in such paragraph, as so redesignated, by striking "this section" and inserting "paragraph (1)"; and

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

"(b) ALLOWANCE FOR ELECTRONIC SCREENING.—(1) Under uniform regulations prescribed by the Secretaries concerned, a member of the Individual Ready Reserve may be paid a stipend when the member participates, through electronic means, in the screening performed pursuant to section 10149 of title 10, in lieu of muster duty performed under section 12319 of such title.

"(2) The amount of the stipend paid to a member under paragraph (1) may not exceed $50 in any calendar year.".

(b) PAYMENT REQUIREMENTS.—Subsection (c) of such section is amended—

(1) by inserting "PAYMENT REQUIREMENTS.—" before the first sentence;

(2) by striking "allowance" each place it appears and inserting "allowances";

(3) by inserting "or screening" after "muster duty" both places it appears; and

(4) by striking "serving, as commutation" and inserting "serving. The allowance under subsection (a) is provided as commutation".

(c) PROHIBITIONS.—Such section is further amended—

(1) in subsection (d)—

(A) by inserting "BAR TO INACTIVE DUTY COMPENSATION.—" before "A member"; and

(B) by inserting "or screening through electronic means" after "muster duty"; and

(2) by adding at the end the following new subsection:

"(e) BAR TO RETIREMENT CREDIT.—The participation by a member in screening for which a stipend is paid

under subsection (b) shall not be credited in determining entitlement to, or in computing, retired pay under chapter 1223 of title 10.".

(d) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended to read as follows:

"§ 433. Allowance for muster duty or for participation in Reserve screening".

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 7 of title 37, United States Code, is amended by striking the item relating to section 433 and inserting the following new item:

"433. Allowance for muster duty or for participation in Reserve screening.".

(e) CONFORMING AMENDMENTS TO OTHER LAWS.—

(1) BAR TO DUAL COMPENSATION FOR INACTIVE-DUTY TRAINING.—Section 206 of such title is amended by adding at the end the following new subsection:

"(f) A member of the National Guard or of a reserve component of a uniformed service may not be paid under this section if the member receives a stipend under section 433(b) of this title for the same period.".

(2) BAR TO RETIREMENT CREDIT.—Section 12732(b) of title 10, United States Code, is amended by inserting after paragraph (7) the following new paragraph:

"(8) Participation, through electronic means, in the screening performed pursuant to section 10149 of this title, regardless of whether or not a stipend is paid under section 433(b) of title 37 for such participation.".

SEC. 632. ALLOWANCE FOR CIVILIAN CLOTHING FOR MEMBERS OF THE ARMED FORCES TRAVELING IN CONNECTION WITH MEDICAL EVACUATION.

Section 1047(a) of title 10, United States Code, is amended by inserting "and luggage" after "civilian clothing" both places it appears.

SEC. 633. MOVING EXPENSES FOR JROTC INSTRUCTORS WHO AGREE TO SERVE IN HARD-TO-FILL POSITIONS.

Section 2031(d) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2)(A) An individual so employed may, if the institution concerned so agrees, be reimbursed by the institution for the moving expenses incurred by the individual to fill the position concerned, separate from any other amount paid to the individual. Sub-

ject to subparagraph (B), the Secretary concerned may enter into an agreement with such an institution under which the Secretary reimburses the institution for the amount the institution reimburses the individual. Reimbursements by the Secretary concerned under this paragraph shall be made from funds appropriated for that purpose.

"(B) Such a reimbursement by the Secretary concerned may be made only if, as determined by the Secretary concerned—

"(i) the position to be filled by the individual is a hard-to-fill position, based on geographic or economic factors;

"(ii) the individual has entered into a written agreement with the institution to serve in that position for at least two years; and

"(iii) making the reimbursement is in the national interest.".

SEC. 634. TRANSPORTATION OF ADDITIONAL MOTOR VEHICLE OF MEMBERS ON CHANGE OF PERMANENT STATION TO OR FROM NONFOREIGN AREAS OUTSIDE THE CONTINENTAL UNITED STATES.

(a) AUTHORITY TO TRANSPORT ADDITIONAL MOTOR VEHICLE.—Subsection (a) of section 2634 of title 10, United States Code, is amended—

(1) by striking the sentence following paragraph (4);

(2) by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively;

(3) by inserting "(1)" after "(a)"; and

(4) by adding at the end the following new paragraph:

"(2) One additional motor vehicle of a member (or a dependent of the member) may be transported as provided in paragraph (1) if—

"(A) the member is ordered to make a change of permanent station to or from a nonforeign area outside the continental United States and the member has at least one dependent of driving age who will use the motor vehicle; or

"(B) the Secretary concerned determines that a replacement for the motor vehicle transported under

paragraph (1) is necessary for reasons beyond the control of the member and is in the interest of the United States and the Secretary approves the transportation in advance.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Such subsection is further amended—

(1) by striking "his dependents" and inserting "a dependent of the member";

(2) by striking "him" and inserting "the member";

(3) by striking "his)" and inserting "the member)";

(4) by striking "his new" and inserting "the member's new"; and

(5) in paragraph (1)(C), as redesignated by subsection (a), by striking "clauses (1) and (2)" and inserting "subparagraphs (A) and (B)".

(c) EFFECTIVE DATE.—Paragraph (2)(A) of subsection (a) of section 2634 of title 10, United States Code, as added by subsection (a)(4), shall apply with respect to orders issued on or after the date of the enactment of this Act for members of the Armed Forces to make a change of permanent station to or from nonforeign areas outside the continental United States.

SEC. 635. PAYMENT OF INACTIVE DUTY TRAINING TRAVEL COSTS FOR CERTAIN SELECTED RESERVE MEMBERS.

(a) PAYMENT OF TRAVEL COSTS AUTHORIZED.—Chapter 7 of title 37, United States Code, is amended by inserting after section 408 the following new section:

"§ 408a. Travel and transportation allowances: inactive duty training or unit training assembly outside of commuting distance of duty station

"(a) ALLOWANCE AUTHORIZED.—Under regulations prescribed by the Secretary concerned, if a member of the Selected Reserve who occupies a specialty designated by the Secretary for purposes of this section performs inactive duty training or attends a unit training assembly outside of the commuting limits of the member's station for the purpose of maintaining mission readiness, the Secretary may reimburse the member for travel expenses in an amount not to exceed $300 for the training or assembly.

"(b) DURATION OF AUTHORITY.—Reimbursement may not be provided under this section for travel costs incurred before October 1, 2008, or after December 31, 2014.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 408 the following new item:

"408a. Travel and transportation allowances: inactive duty training or unit training assembly outside of commuting distance of duty station.".

Subtitle D—Retired Pay and Survivor Benefits

SEC. 641. DISREGARDING PERIODS OF CONFINEMENT OF MEMBER IN DETERMINING BENEFITS FOR DEPENDENTS WHO ARE VICTIMS OF ABUSE BY THE MEMBER.

Section 1408(h)(10) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(C) In determining under paragraph (2)(A) whether a member of the armed forces became eligible to be retired from the armed forces on the basis of years of service so that a spouse or dependent child of the member is eligible to receive payment under this subsection, the Secretary concerned shall consider as creditable service by the member any periods of confinement served by the member before convening authority action on the record of trial related to the misconduct that resulted in the termination of the eligibility of the member to receive retired pay.".

SEC. 642. CONTINUATION OF AUTHORITY FOR MEMBERS OF THE ARMED FORCES TO DESIGNATE A RECIPIENT FOR A PORTION OF THE DEATH GRATUITY.

Effective as of October 1, 2007, subsection (d) of section 1477 of title 10, United States Code, as amended by section 1316 of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, is amended by striking "During the period beginning on the date of the enactment of this subsection and ending on September 30, 2007, a person" and inserting "A person".

SEC. 643. RECOUPMENT OF ANNUITY AMOUNTS PREVIOUSLY PAID, BUT SUBJECT TO OFFSET FOR DEPENDENCY AND INDEMNITY COMPENSATION.

(a) LIMITATION ON RECOUPMENT; NOTIFICATION REQUIREMENTS.—Section 1450(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) LIMITATION ON RECOUPMENT OF OFFSET AMOUNT.—Any amount subject to offset under this subsection that was previously paid to the surviving spouse or former spouse shall be recouped only to the extent that the amount paid exceeds any amount to be refunded under subsection (e). In notifying a sur-

viving spouse or former spouse of the recoupment requirement, the Secretary shall provide the spouse or former spouse—

"(A) a single notice of the net amount to be recouped or the net amount to be refunded, as applicable, under this subsection or subsection (e);

"(B) a written explanation of the statutory requirements for recoupment of the offset amount and for refund of any applicable amount deducted from retired pay;

"(C) a detailed accounting of how the offset amount being recouped and retired pay deduction amount being refunded were calculated; and

"(D) contact information for a person who can provide information about the offset recoupment and retired pay deduction refund processes and answer questions the surviving spouse or former spouse may have about the requirements, processes, or amounts.".

(b) APPLICATION.—Paragraph (3) of subsection (c) of section 1450 of title 10, United States Code, as added by subsection (a), shall apply with respect to the recoupment on or after April 1, 2008, of amounts subject to offset under such subsection.

SEC. 644. SPECIAL SURVIVOR INDEMNITY ALLOWANCE FOR PERSONS AFFECTED BY REQUIRED SURVIVOR BENEFIT PLAN ANNUITY OFFSET FOR DEPENDENCY AND INDEMNITY COMPENSATION.

(a) PROVISION OF ALLOWANCE.—Section 1450 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(m) SPECIAL SURVIVOR INDEMNITY ALLOWANCE.—

"(1) PROVISION OF ALLOWANCE.—The Secretary concerned shall pay a monthly special survivor indemnity allowance under this subsection to the surviving spouse or former spouse of a member of the uniformed services to whom section 1448 of this title applies if—

"(A) the surviving spouse or former spouse is entitled to dependency and indemnity compensation under section 1311(a) of title 38; and

"(B) the eligibility of the surviving spouse or former spouse for an annuity under section 1448 of this title is affected by subsection (c) of this section.

"(2) AMOUNT OF PAYMENT.—The amount of the allowance paid to an eligible survivor under paragraph (1) for a month shall be equal to the lesser of—

"(A) $40; or

"(B) the amount of the annuity for that month subject to offset under subsection (c).

"(3) STATUS OF PAYMENTS.—An allowance paid under this subsection does not constitute an annuity, and amounts so paid are not subject to adjustment under any other provision of law.

"(4) SOURCE OF FUNDS.—The special survivor indemnity allowance shall be paid from amounts in the Department of Defense Military Retirement Fund established under section 1461 of this title.".

(b) EFFECTIVE DATE.—Subsection (m) of section 1450 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 2008, and shall apply to the month beginning on that date and subsequent months through the month ending on February 28, 2016. Effective on March 1, 2016, such subsection shall terminate. No special survivor indemnity allowance may be paid to any person by reason of such subsection for any period before October 1, 2008.

SEC. 645. EXPANSION OF COMBAT-RELATED SPECIAL COMPENSATION ELIGIBILITY FOR CHAPTER 61 MILITARY RETIREES WITH FEWER THAN 20 YEARS OF CREDITABLE SERVICE.

(a) ELIGIBILITY.—Subsection (c) of section 1413a of title 10, United States Code, is amended by striking "enti-

tled to retired pay who—" and all that follows through the end of paragraph (1) and inserting the following: "who—

"(1) is entitled to retired pay (other than by reason of section 12731b of this title); and".

(b) COMPUTATION.—Subsection (b) of such section is amended—

(1) in paragraph (1), by striking "In the case of" and inserting "Subject to paragraph (4), in the case of"; and

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

"(4) CHAPTER 61 DISABILITY RETIREES WITH FEWER THAN 20 YEARS OF SERVICE.—In the case of an eligible combat-related disabled uniformed services retiree who is retired under chapter 61 of this title with at least 15 years of creditable service, but fewer than 20 years of creditable service, and who receives veterans disability compensation for a disability rated at least 60 percent, the amount of the payment under paragraph (1) for any month shall be reduced by the amount (if any) by which—

"(A) the amount of the member's retired pay under chapter 61 of this title; exceeds

"(B) the amount equal to 2½ percent of the member's years of creditable service multiplied

by the member's retired pay base under section 1406(b)(1) or 1407 of this title, whichever is applicable to the member.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2008, and shall apply to payments for the month beginning on that date and subsequent months through the month ending on September 30, 2015. Effective on October 1, 2015, the amendments made by this section shall terminate and subsection (c) of section 1413a of title 10, United States Code, shall be amended to appear as it did on September 30, 2008.

Subtitle E—Commissary and Nonappropriated Fund Instrumentality Benefits

SEC. 651. ACCESS TO DEFENSE COMMISSARY AND EXCHANGE SYSTEM BY SURVIVING SPOUSE AND DEPENDENTS OF CERTAIN DISABLED VETERANS.

(a) REVISION OF REGULATIONS AND INSTRUCTIONS.—The Secretary of Defense shall revise the regulations and instructions described in subsection (b) as necessary to ensure access to the Defense Commissary and Exchange System by the surviving spouse and dependents of a veteran who had a service-connected disability rated at 100 percent (total), based on an application submitted by the veteran,

although the disability rating was awarded posthumously. Such access shall be provided in the same manner and to the same extent as other surviving spouses and dependents covered by such regulations and instructions.

(b) COVERED REGULATIONS AND INSTRUCTIONS.—The regulations and instructions referred to in subsection (a) are the following:

(1) Armed Services Commissary Regulations (DoD Regulations 1330.17-R, April 1987).

(2) Armed Services Exchange Regulations (DoD Instruction 1330.21, July, 14, 2005).

(3) The instruction pertaining to identification cards (ID) cards for members of the uniformed services, their dependents, and other eligible individuals (DoD Instruction 1000.13, December 5, 1997).

SEC. 652. AUTHORITY TO CONTINUE COMMISSARY AND EXCHANGE BENEFITS FOR CERTAIN INVOLUNTARILY SEPARATED MEMBERS OF THE ARMED FORCES.

(a) RESUMPTION FOR MEMBERS INVOLUNTARILY SEPARATED FROM ACTIVE DUTY.—Section 1146 of title 10, United States Code, is amended—

(1) by inserting "(a) MEMBERS INVOLUNTARILY SEPARATED FROM ACTIVE DUTY.—" before "The Secretary of Defense";

(2) in the first sentence, by striking "October 1, 1990, and ending on December 31, 2001" and inserting "October 1, 2007, and ending on December 31, 2012"; and

(3) in the second sentence, by striking "the period beginning on October 1, 1994, and ending on December 31, 2001" and inserting "the same period".

(b) EXTENSION TO MEMBERS INVOLUNTARILY SEPARATED FROM SELECTED RESERVE.—Such section is further amended by adding at the end the following new subsection:

"(b) MEMBERS INVOLUNTARILY SEPARATED FROM SELECTED RESERVE.—The Secretary of Defense shall prescribe regulations to allow a member of the Selected Reserve of the Ready Reserve who is involuntarily separated from the Selected Reserve as a result of the exercise of the force shaping authority of the Secretary concerned under section 647 of this title or other force shaping authority during the period beginning on October 1, 2007, and ending on December 31, 2012, to continue to use commissary and exchange stores during the two-year period beginning on the date of the involuntary separation of the member in the same manner as a member on active duty. The Secretary of Homeland Security shall implement this provision for Coast Guard members involuntarily separated during the same period.".

SEC. 653. AUTHORIZATION OF INSTALLMENT DEDUCTIONS FROM PAY OF EMPLOYEES OF EXECUTIVE BRANCH INSTRUMENTALITIES TO COLLECT INDEBTEDNESS TO THE UNITED STATES.

(a) COVERAGE OF EXECUTIVE BRANCH INSTRUMENTALITIES.—Section 5514(a)(5)(B) of title 5, United States Code, is amended by striking "judicial" and inserting "executive, judicial,"

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and apply with respect to debt incurred before, on, or after that date.

Subtitle F—Consolidation of Special Pay, Incentive Pay, and Bonus Authorities

SEC. 661. CONSOLIDATION OF SPECIAL PAY, INCENTIVE PAY, AND BONUS AUTHORITIES OF THE UNIFORMED SERVICES.

(a) CONSOLIDATION.—Chapter 5 of title 37, United States Code, is amended—

(1) by inserting before section 301 the following subchapter heading:

"SUBCHAPTER I—EXISTING SPECIAL PAY, INCENTIVE PAY, AND BONUS AUTHORITIES"; AND

(2) by adding at the end the following new subchapters:

"SUBCHAPTER II—CONSOLIDATION OF SPECIAL PAY, INCENTIVE PAY, AND BONUS AUTHORITIES

"§ 331. General bonus authority for enlisted members

"(a) AUTHORITY TO PROVIDE BONUS.—The Secretary concerned may pay a bonus under this section to a person, including a member of the armed forces, who—

"(1) enlists in an armed force;

"(2) enlists in or affiliates with a reserve component of an armed force;

"(3) reenlists, voluntarily extends an enlistment, or otherwise agrees to serve—

"(A) for a specified period in a designated career field, skill, or unit of an armed force; or

"(B) under other conditions of service in an armed force;

"(4) transfers from a regular component of an armed force to a reserve component of that same armed force or from a reserve component of an armed force to the regular component of that same armed force; or

"(5) transfers from a regular component or reserve component of an armed force to a regular component or reserve component of another armed force, subject to the approval of the Secretary with jurisdic-

tion over the armed force to which the member is transferring.

"(b) SERVICE ELIGIBILITY.—A bonus authorized by subsection (a) may be paid to a person or member only if the person or member agrees under subsection (d)—

"(1) to serve for a specified period in a designated career field, skill, unit, or grade; or

"(2) to meet some other condition of service imposed by the Secretary concerned.

"(c) MAXIMUM AMOUNT AND METHOD OF PAYMENT.—

"(1) MAXIMUM AMOUNT.—The Secretary concerned shall determine the amount of a bonus to be paid under this section, except that—

"(A) a bonus paid under paragraph (1) or (2) of subsection (a) may not exceed $50,000 for a minimum two-year period of obligated service agreed to under subsection (d); and

"(B) a bonus paid under paragraph (3), (4), or (5) of subsection (a) may not exceed $40,000 for a minimum one-year period of obligated service agreed to under subsection (d).

"(2) LUMP SUM OR INSTALLMENTS.—A bonus under this section may be paid in a lump sum or in periodic installments, as determined by the Secretary concerned.

"(3) FIXING BONUS AMOUNT.—Upon acceptance by the Secretary concerned of the written agreement required by subsection (d), the total amount of the bonus to be paid under the agreement shall be fixed.

"(d) WRITTEN AGREEMENT.—To receive a bonus under this section, a person or member determined to be eligible for the bonus shall enter into a written agreement with the Secretary concerned that specifies—

"(1) the amount of the bonus;

"(2) the method of payment of the bonus under subsection (c)(2);

"(3) the period of obligated service; and

"(4) the type or conditions of the service.

"(e) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—A bonus paid to a person or member under this section is in addition to any other pay and allowance to which a member is entitled.

"(f) RELATIONSHIP TO PROHIBITION ON BOUNTIES.—A bonus authorized under this section is not a bounty for purposes of section 514(a) of title 10.

"(g) REPAYMENT.—A person or member who receives a bonus under this section and who fails to complete the period of service, or meet the conditions of service, for which the bonus is paid, as specified in the written agreement

under subsection (d), shall be subject to the repayment provisions of section 373 of this title.

"(h) REGULATIONS.—This section shall be administered under regulations prescribed by—

"(1) the Secretary of Defense, with respect to the armed forces under the jurisdiction of the Secretary of Defense; and

"(2) the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy.

"§ 332. General bonus authority for officers

"(a) AUTHORITY TO PROVIDE BONUS.—The Secretary concerned may pay a bonus under this section to a person, including an officer in the uniformed services, who—

"(1) accepts a commission or appointment as an officer in a uniformed service;

"(2) affiliates with a reserve component of a uniformed service;

"(3) agrees to remain on active duty or to serve in an active status for a specific period as an officer in a uniformed service;

"(4) transfers from a regular component of a uniformed service to a reserve component of that same uniformed service or from a reserve component of a

uniformed service to the regular component of that same uniformed service; or

"(5) transfers from a regular component or reserve component of a uniformed service to a regular component or reserve component of another uniformed service, subject to the approval of the Secretary with jurisdiction over the uniformed service to which the member is transferring.

"(b) SERVICE ELIGIBILITY.—A bonus authorized by subsection (a) may be paid to a person or officer only if the person or officer agrees under subsection (d)—

"(1) to serve for a specified period in a designated career field, skill, unit, or grade; or

"(2) to meet some other condition of service imposed by the Secretary concerned.

"(c) MAXIMUM AMOUNT AND METHOD OF PAYMENT.—

"(1) MAXIMUM AMOUNT.—The Secretary concerned shall determine the amount of a bonus to be paid under this section, except that—

"(A) a bonus paid under paragraph (1) or (2) of subsection (a) may not exceed $60,000 for a minimum three-year period of obligated service agreed to under subsection (d); and

"(B) a bonus paid under paragraph (3), (4), or (5) of subsection (a) may not exceed

$50,000 for each year of obligated service agreed to under subsection (d).

"(2) LUMP SUM OR INSTALLMENTS.—A bonus under this section may be paid in a lump sum or in periodic installments, as determined by the Secretary concerned.

"(3) FIXING BONUS AMOUNT.—Upon acceptance by the Secretary concerned of the written agreement required by subsection (d), the total amount of the bonus to be paid under the agreement shall be fixed.

"(d) WRITTEN AGREEMENT.—To receive a bonus under this section, a person or officer determined to be eligible for the bonus shall enter into a written agreement with the Secretary concerned that specifies—

"(1) the amount of the bonus;

"(2) the method of payment of the bonus under subsection (c)(2);

"(3) the period of obligated service; and

"(4) the type or conditions of the service.

"(e) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—The bonus paid to a person or officer under this section is in addition to any other pay and allowance to which an officer is entitled.

"(f) REPAYMENT.—A person or officer who receives a bonus under this section who fails to complete the period

of service, or meet the conditions of service, for which the bonus is paid, as specified in the written agreement under subsection (d), shall be subject to the repayment provisions of section 373 of this title.

"(g) REGULATIONS.—This section shall be administered under regulations prescribed by—

"(1) the Secretary of Defense, with respect to the armed forces under the jurisdiction of the Secretary of Defense;

"(2) the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy;

"(3) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service; and

"(4) the Secretary of Commerce, with respect to the National Oceanic and Atmospheric Administration.

"§ 333. Special bonus and incentive pay authorities for nuclear officers

"(a) NUCLEAR OFFICER BONUS.—The Secretary of the Navy may pay a nuclear officer bonus under this section to a person, including an officer in the Navy, who—

"(1) is selected for the officer naval nuclear power training program in connection with the su-

pervision, operation, and maintenance of naval nuclear propulsion plants and agrees to serve, upon completion of such training, on active duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants; or

"(2) has the current technical and operational qualification for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants and agrees to remain on active duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants.

"(b) NUCLEAR OFFICER INCENTIVE PAY.—The Secretary of the Navy may pay nuclear officer incentive pay under this section to an officer in the Navy who—

"(1) is entitled to basic pay under section 204 of this title; and

"(2) remains on active duty for a specified period while maintaining current technical and operational qualifications, as approved by the Secretary, for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants.

"(c) ADDITIONAL ELIGIBILITY CRITERIA.—The Secretary of the Navy may impose such additional criteria for

the receipt of a nuclear officer bonus or nuclear officer incentive pay as the Secretary determines to be appropriate.

"(d) MAXIMUM AMOUNT AND METHOD OF PAYMENT.—

"(1) MAXIMUM AMOUNT.—The Secretary of the Navy shall determine the amounts of a nuclear officer bonus or incentive pay to be paid under this section, except that such payments may not exceed $60,000 for each 12-month period of the agreement or 12-month period of qualifying service.

"(2) LUMP SUM OR INSTALLMENTS.—A nuclear officer bonus or incentive pay under this section may be paid in a lump sum or in periodic installments.

"(e) WRITTEN AGREEMENT FOR BONUS.—

"(1) AGREEMENT REQUIRED.—To receive a nuclear officer bonus under this section, a person or officer determined to be eligible for the bonus shall enter into a written agreement with the Secretary of the Navy that specifies—

"(A) the amount of the bonus;

"(B) the method of payment of the bonus under subsection (d)(2);

"(C) the period of obligated service; and

"(D) the type or conditions of the service.

"(2) REPLACEMENT AGREEMENT.—An officer who is performing obligated service under an agree-

ment for a nuclear officer bonus may execute a new agreement to replace the existing agreement, if the amount to be paid under the new agreement will be higher than the amount to be paid under the existing agreement. The period of the new agreement shall be equal to or exceed the remaining term of the period of the officer's existing agreement. If a new agreement is executed under this paragraph, the existing agreement shall be cancelled, effective on the day before an anniversary date of the existing agreement occurring after the date on which the amount to be paid under this paragraph is increased.

"(f) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—A nuclear officer bonus or incentive pay paid to a person or officer under this section is in addition to any other pay and allowance to which an officer is entitled, except that an officer may not receive a payment under this section and section 332 or 353 of this title for the same skill and period of service.

"(g) REPAYMENT.—The person or officer who receives a nuclear officer bonus or incentive pay under this section who fails to complete the officer naval nuclear power training program, maintain required technical and operational qualifications, complete the period of service, or meet the types or conditions of service, for which the bonus or incen-

tive pay is paid, as specified in the written agreement under subsection (e) in the case of a bonus, shall be subject to the repayment provisions of section 373 of this title.

"(h) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretary of the Navy.

"§ 334. Special aviation incentive pay and bonus authorities for officers

"(a) AVIATION INCENTIVE PAY.—The Secretary concerned may pay aviation incentive pay under this section to a regular or reserve component officer of a uniformed service who—

"(1) is entitled to basic pay under section 204 of this title or compensation under section 206 of this title;

"(2) maintains, or is in training leading to, an aeronautical rating or designation that qualifies the officer to engage in operational flying duty or proficiency flying duty;

"(3) engages in, or is in training leading to, frequent and regular performance of operational flying duty or proficiency flying duty;

"(4) engages in or remains in aviation service for a specified period; and

"(5) meets such other criteria as the Secretary concerned determines appropriate.

"(b) AVIATION BONUS.—The Secretary concerned may pay an aviation bonus under this section to a regular or reserve component officer of a uniformed service who—

"(1) is entitled to aviation incentive pay under subsection (a);

"(2) has completed any active duty service commitment incurred for undergraduate aviator training or is within one year of completing such commitment;

"(3) executes a written agreement to remain on active duty in a regular component or to serve in an active status in a reserve component in aviation service for at least one year; and

"(4) meets such other criteria as the Secretary concerned determines appropriate.

"(c) MAXIMUM AMOUNT AND METHOD OF PAYMENT.—

"(1) MAXIMUM AMOUNT.—The Secretary concerned shall determine the amounts of a bonus or incentive pay to be paid under this section, except that—

"(A) aviation incentive pay shall be paid at a monthly rate, not to exceed $850 per month; and

"(B) an aviation bonus may not exceed $25,000 for each 12-month period of obligated service agreed to under subsection (d).

"(2) LUMP SUM OR INSTALLMENTS.—A bonus under this section may be paid in a lump sum or in periodic installments, as determined by the Secretary concerned.

"(3) FIXING BONUS AMOUNT.—Upon acceptance by the Secretary concerned of the written agreement required by subsection (d), the total amount of the bonus to be paid under the agreement shall be fixed.

"(d) WRITTEN AGREEMENT FOR BONUS.—To receive an aviation officer bonus under this section, an officer determined to be eligible for the bonus shall enter into a written agreement with the Secretary concerned that specifies—

"(1) the amount of the bonus;

"(2) the method of payment of the bonus under subsection (c)(2);

"(3) the period of obligated service; and

"(4) the type or conditions of the service.

"(e) RESERVE COMPONENT OFFICERS PERFORMING INACTIVE DUTY TRAINING.—A reserve component officer who is entitled to compensation under section 206 of this title and who is authorized aviation incentive pay under this section may be paid an amount of incentive pay that

is proportionate to the compensation received under section 206 for inactive-duty training.

"(f) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—

"(1) AVIATION INCENTIVE PAY.—Aviation incentive pay paid to an officer under subsection (a) shall be in addition to any other pay and allowance to which an officer is entitled, except that an officer may not receive a payment under such subsection and section 351(a)(4) or 353 of this title for the same skill and period of service.

"(2) AVIATION BONUS.—An aviation bonus paid to an officer under subsection (b) shall be in addition to any other pay and allowance to which the officer is entitled, except that an officer may not receive a payment under such subsection and section 332 or 353 of this title for the same skill and period of service.

"(g) REPAYMENT.—An officer who receives aviation incentive pay or an aviation bonus under this section and who fails to fulfill the eligibility requirements for the receipt of the incentive pay or bonus or complete the period of service for which the incentive pay or bonus is paid, as specified in the written agreement under subsection (d) in the case

of a bonus, shall be subject to the repayment provisions of section 373 of this title.

"(h) DEFINITIONS.—In this section:

"(1) The term 'aviation service' means service performed by a regular or reserve component officer (except a flight surgeon or other medical officer) while holding an aeronautical rating or designation or while in training to receive an aeronautical rating or designation.

"(2) The term 'operational flying duty' means flying performed under competent orders by rated or designated regular or reserve component officers while serving in assignments in which basic flying skills normally are maintained in the performance of assigned duties as determined by the Secretary concerned, and flying performed by members in training that leads to the award of an aeronautical rating or designation.

"(3) The term 'proficiency flying duty' means flying performed under competent orders by rated or designated regular or reserve component officers while serving in assignments in which such skills would normally not be maintained in the performance of assigned duties.

"(4) The term 'officer' includes an individual enlisted and designated as an aviation cadet under section 6911 of title 10, United States Code.

"(i) REGULATIONS.—This section shall be administered under regulations prescribed by—

"(1) the Secretary of Defense, with respect to the armed forces under the jurisdiction of the Secretary of Defense;

"(2) the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy; and

"(3) the Secretary of Commerce, with respect to the National Oceanic and Atmospheric Administration.

"§ 335. Special bonus and incentive pay authorities for officers in health professions

"(a) HEALTH PROFESSIONS BONUS.—The Secretary concerned may pay a health professions bonus under this section to a person, including an officer in the uniformed services, who is a graduate of an accredited school in a health profession and who—

"(1) accepts a commission or appointment as a regular or reserve component officer in a uniformed service, or affiliates with a reserve component of a uniformed service, and agrees to serve on active duty

in a regular component or in an active status in a reserve component in a health profession; or

"(2) agrees to remain on active duty or continue serving in an active status in a reserve component in a health profession.

"(b) HEALTH PROFESSIONS INCENTIVE PAY.—The Secretary concerned may pay incentive pay under this section to an officer in a regular or reserve component of a uniformed service who—

"(1) is entitled to basic pay under section 204 of this title or compensation under section 206 of this title; and

"(2) is serving on active duty or in an active status in a designated health profession specialty or skill.

"(c) BOARD CERTIFICATION INCENTIVE PAY.—The Secretary concerned may pay board certification incentive pay under this section to an officer in a regular or reserve component of a uniformed service who—

"(1) is entitled to basic pay under section 204 of this title or compensation under section 206 of this title; and

"(2) is board certified in a designated health profession specialty or skill; and

"(3) is serving on active duty or in an active status in such designated health profession specialty or skill.

"(d) ADDITIONAL ELIGIBILITY CRITERIA.—The Secretary concerned may impose such additional criteria for the receipt of a bonus or incentive pay under this section as the Secretary determines to be appropriate.

"(e) MAXIMUM AMOUNT AND METHOD OF PAYMENT.—

"(1) MAXIMUM AMOUNT.—The Secretary concerned shall determine the amounts of a bonus or incentive pay to be paid under this section, except that—

"(A) a health professions bonus may not exceed $100,000 for each 12-month period of obligated service agreed to under subsection (f);

"(B) health professions incentive pay may not exceed $100,000 in any 12-month period, and it may be paid monthly; and

"(C) board certification incentive pay may not exceed $25,000 per 12-month period an officer remains certified in the designated health profession specialty or skill.

"(2) LUMP SUM OR INSTALLMENTS.—A bonus under subsection (a) may be paid in a lump sum or in periodic installments, as determined by the Sec-

retary concerned. Board certification incentive pay may be paid monthly, in a lump sum at the beginning of the certification period, or in periodic installments during the certification period, as determined by the Secretary concerned.

"(3) FIXING BONUS AMOUNT.—Upon acceptance by the Secretary concerned of the written agreement required by subsection (f), the total amount of the bonus to be paid under the agreement shall be fixed.

"(f) WRITTEN AGREEMENT FOR BONUS.—To receive a bonus under this section, an officer determined to be eligible for the bonus shall enter into a written agreement with the Secretary concerned that specifies—

"(1) the amount of the bonus;

"(2) the method of payment of the bonus under subsection (e)(2);

"(3) the period of obligated service;

"(4) whether the service will be performed on active duty or in an active status in a reserve component; and

"(5) the type or conditions of the service.

"(g) RESERVE COMPONENT OFFICERS.—An officer in a reserve component authorized incentive pay under subsection (b) or (c) who is not serving on continuous active duty and is entitled to compensation under sections 204

of this title or compensation under section 206 of this title may be paid a monthly amount of incentive pay that is proportionate to the basic pay or compensation received under this title.

"(h) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—

"(1) HEALTH PROFESSIONS BONUS.—A bonus paid to a person or officer under subsection (a) shall be in addition to any other pay and allowance to which an officer is entitled, except that an officer may not receive a payment under such subsection and section 332 of this title for the same period of obligated service.

"(2) HEALTH PROFESSIONS INCENTIVE PAY.—Incentive pay paid to an officer under subsection (b) shall be in addition to any other pay and allowance to which an officer is entitled, except that an officer may not receive a payment under such subsection and section 353 of this title for the same skill and period of service.

"(3) BOARD CERTIFICATION INCENTIVE PAY.—Incentive pay paid to an officer under subsection (c) shall be in addition to any other pay and allowance to which an officer is entitled, except that an officer may not receive a payment under such subsection and

section 353(b) of this title for the same skill and period of service covered by the certification.

"(i) REPAYMENT.—An officer who receives a bonus or incentive pay under this section and who fails to fulfill the eligibility requirements for the receipt of the bonus or incentive pay or complete the period of service for which the bonus or incentive pay is paid, as specified in the written agreement under subsection (f) in the case of a bonus, shall be subject to the repayment provisions of section 373 of this title.

"(j) HEALTH PROFESSION DEFINED.—In this section, the term 'health profession' means:

"(1) Any health profession performed by officers in the Medical Corps of a uniformed service or by officers designated as a medical officer.

"(2) Any health profession performed by officers in the Dental Corps of a uniformed service or by officers designated as a dental officer.

"(3) Any health profession performed by officers in the Medical Service Corps of a uniformed service or by officers designated as a medical service officer or biomedical sciences officer.

"(4) Any health profession performed by officers in the Medical Specialist Corps of a uniformed service or by officers designated as a medical specialist.

"(5) Any health profession performed by officers of the Nurse Corps of a uniformed service or by officers designated as a nurse.

"(6) Any health profession performed by officers in the Veterinary Corps of a uniformed service or by officers designated as a veterinary officer.

"(7) Any health profession performed by officers designated as a physician assistant.

"(8) Any health profession performed by officers in the regular or reserve corps of the Public Health Service.

"(k) REGULATIONS.—This section shall be administered under regulations prescribed by—

"(1) the Secretary of Defense, with respect to the armed forces under the jurisdiction of the Secretary of Defense;

"(2) the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy; and

"(3) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service.

"§ 351. Hazardous duty pay

"(a) HAZARDOUS DUTY PAY.—The Secretary concerned may pay hazardous duty pay under this section to a member of a regular or reserve component of the uniformed services entitled to basic pay under section 204 of

this title or compensation under section 206 of this title who—

"(1) performs duty in a hostile fire area designated by the Secretary concerned;

"(2) is exposed to a hostile fire event, explosion of a hostile explosive device, or any other hostile action;

"(3) is on duty during a month in an area in which an event described in paragraph (2) occurred which placed the member in grave danger of physical injury;

"(4) performs duty the Secretary concerned has designated as hazardous duty based upon the inherent dangers of that duty and risks of physical injury; or

"(5) performs duty in a foreign area designated by the Secretary concerned as an area in which the member is subject to imminent danger of physical injury due to threat conditions.

"(b) MAXIMUM AMOUNT.—The amount of hazardous duty pay paid to a member under subsection (a) shall be based on the type of duty and the area in which the duty is performed, as follows:

"(1) In the case of a member who performs duty in a designated hostile fire area, as described in para-

graph (1) of such subsection, hazardous duty pay may not exceed $450 per month.

"(2) In the case of a member who is exposed to a hostile fire event or is on duty in an area in which such an event occurred which placed the member in grave danger of physical injury, as described in paragraph (2) or (3) of such subsection, hazardous duty pay may not exceed $450 per month.

"(3) In the case of a member who performs a designated hazardous duty, as described in paragraph (4) of such subsection, hazardous duty pay may not exceed $250 per month.

"(4) In the case of a member who performs duty in a foreign area designated as an imminent danger area, as described in paragraph (5) of such subsection, hazardous duty pay may not exceed $250 per month.

"(c) METHOD OF PAYMENT.—Hazardous duty pay shall be paid on a monthly basis. A member who is eligible for hazardous duty pay by reason of paragraph (1), (2), or (3) of subsection (a) shall receive the full monthly rate of hazardous duty pay authorized by the Secretary concerned under such paragraph, notwithstanding subsection (d).

"(d) RESERVE COMPONENT MEMBERS PERFORMING INACTIVE DUTY TRAINING.—A member of a reserve component entitled to compensation under section 206 of this title who is authorized hazardous duty pay under this section may be paid an amount of hazardous duty pay that is proportionate to the compensation received by the member under section 206 of this title for inactive-duty training.

"(e) ADMINISTRATION AND RETROACTIVE PAYMENTS.—The effective date for a hostile fire area designation, as described in paragraph (1) of subsection (a), and for the designation of a foreign area as an imminent danger area, as described in paragraph (5) of such subsection, may be a date that occurs before, on, or after the actual date of the designation by the Secretary concerned.

"(f) DETERMINATION OF FACT.—Any determination of fact that is made in administering paragraph (2) or (3) of subsection (a) is conclusive. The determination may not be reviewed by any other officer or agency of the United States unless there has been fraud or gross negligence. However, the Secretary concerned may change the determination on the basis of new evidence or for other good cause.

"(g) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—A member may be paid hazardous duty pay under this section in addition to any other pay and allowances to which the member is entitled. The regulations prescribed

under subsection (j) shall address dual compensation under this section for multiple circumstances involving performance of a designated hazardous duty, as described in paragraph (4) of subsection (a), or for duty in certain designated areas, as described in paragraph (1) or 5 of such subsection, that is performed by a member during a single month of service.

"(h) PROHIBITION ON VARIABLE RATES.—The regulations prescribed under subsection (j) may not include varied criteria or rates for payment of hazardous duty for officers and enlisted members.

"(i) REPAYMENT.—A member who receives the hazardous duty pay authorized under this section and who fails to meet the eligibility requirements under subsection (a) shall be subject to the repayment provisions of section 373 of this title.

"(j) REGULATIONS.—This section shall be administered under regulations prescribed by—

"(1) the Secretary of Defense, with respect to the armed forces under the jurisdiction of the Secretary of Defense;

"(2) the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy;

"(3) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service; and

"(4) the Secretary of Commerce, with respect to the National Oceanic and Atmospheric Administration.

"§ 352. Assignment pay or special duty pay

"(a) ASSIGNMENT OR SPECIAL DUTY PAY AUTHORIZED.—The Secretary concerned may pay assignment or special duty pay under this section to a member of a regular or reserve component of the uniformed services who—

"(1) is entitled to basic pay under section 204 of this title or compensation under section 206 of this title; and

"(2) performs duties in an assignment, location, or unit designated by, and under the conditions of service specified by, the Secretary concerned.

"(b) MAXIMUM AMOUNT AND METHOD OF PAYMENT.—

"(1) LUMP SUM OR INSTALLMENTS.—Assignment or special duty pay under subsection (a) may be paid monthly, in a lump sum, or in periodic installments other than monthly, as determined by the Secretary concerned.

"(2) MAXIMUM MONTHLY AMOUNT.—The maximum monthly amount of assignment or special duty pay may not exceed $5,000.

"(3) MAXIMUM LUMP SUM AMOUNT.—The amount of a lump sum payment of assignment or special duty pay payable to a member may not exceed the amount equal to the product of—

"(A) the maximum monthly rate authorized under paragraph (2) at the time the member enters into a written agreement under subsection (c); and

"(B) the number of continuous months in the period for which assignment or special duty pay will be paid pursuant to the agreement.

"(4) MAXIMUM INSTALLMENT AMOUNT.—The amount of each installment payment of assignment or special duty pay payable to a member on an installment basis may not exceed the amount equal to—

"(A) the product of—

"(i) a monthly rate specified in the written agreement entered into under subsection (c), which monthly rate may not exceed the maximum monthly rate authorized under paragraph (2) at the time the member enters into the agreement; and

"(ii) the number of continuous months in the period for which the assignment or special duty pay will be paid; divided by

"(B) the number of installments over such period.

"(5) EFFECT OF EXTENSION.—If a member extends an assignment or performance of duty specified in an agreement with the Secretary concerned under subsection (c), assignment or special duty pay for the period of the extension may be paid on a monthly basis, in a lump sum, or in installments, consistent with this subsection.

"(c) WRITTEN AGREEMENT.—

"(1) DISCRETIONARY FOR MONTHLY PAYMENTS.—The Secretary concerned may require a member to enter into a written agreement with the Secretary in order to qualify for the payment of assignment or special duty pay on a monthly basis. The written agreement shall specify the period for which the assignment or special duty pay will be paid to the member and the monthly rate of the assignment or special duty pay.

"(2) REQUIRED FOR LUMP SUM OR INSTALLMENT PAYMENTS.—The Secretary concerned shall require a member to enter into a written agreement

with the Secretary in order to qualify for payment of assignment or special duty pay on a lump sum or installment basis. The written agreement shall specify the period for which the assignment or special duty pay will be paid to the member and the amount of the lump sum or each periodic installment.

"(d) RESERVE COMPONENT MEMBERS PERFORMING INACTIVE DUTY TRAINING.—A member of a reserve component entitled to compensation under section 206 of this title who is authorized assignment or special duty pay under this section may be paid an amount of assignment or special duty pay that is proportionate to the compensation received by the member under section 206 of this title for inactive-duty training.

"(e) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—Assignment or special duty pay paid to a member under this section is in addition to any other pay and allowances to which a member is entitled.

"(f) REPAYMENT.—A member who receives assignment or special duty pay under this section and who fails to fulfill the eligibility requirements under subsection (a) shall be subject to the repayment provisions of section 373 of this title.

"(g) REGULATIONS.—This section shall be administered under regulations prescribed by—

"(1) the Secretary of Defense, with respect to the armed forces under the jurisdiction of the Secretary of Defense;

"(2) the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy;

"(3) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service; and

"(4) the Secretary of Commerce, with respect to the National Oceanic and Atmospheric Administration.

"§ 353. Skill incentive pay or proficiency bonus

"(a) SKILL INCENTIVE PAY.—The Secretary concerned may pay a monthly skill incentive pay to a member of a regular or reserve component of the uniformed services who—

"(1) is entitled to basic pay under section 204 of this title or compensation under section 206 of this title; and

"(2) serves in a career field or skill designated as critical by the Secretary concerned.

"(b) SKILL PROFICIENCY BONUS.—The Secretary concerned may pay a proficiency bonus to a member of a regular or reserve component of the uniformed services who—

"(1) is entitled to basic pay under section 204 of this title or compensation under section 206 of this title; and

"(2) is determined to have, and maintains, certified proficiency under subsection (d) in a skill designated as critical by the Secretary concerned.

"(c) MAXIMUM AMOUNTS AND METHODS OF PAYMENT.—

"(1) SKILL INCENTIVE PAY.—Skill incentive pay shall be in paid monthly in an amount not exceed $1,000 per month.

"(2) PROFICIENCY BONUS.—A proficiency bonus may be paid in a lump sum at the beginning of the proficiency certification period or in periodic installments during the proficiency certification period. The amount of the bonus may not exceed $12,000 per 12-month period of certification. The Secretary concerned may not vary the criteria or rates for the proficiency bonus paid for officers and enlisted members.

"(d) CERTIFIED PROFICIENCY FOR PROFICIENCY BONUS.—

"(1) CERTIFICATION REQUIRED.—Proficiency in a designated critical skill shall be subject to annual certification by the Secretary concerned.

"(2) DURATION OF CERTIFICATION.—A certification period shall expire at the end of the one-year period beginning on the first day of the first month beginning on or after the certification date.

"(3) WAIVER.—Notwithstanding paragraphs (1) and (2), the regulations prescribed under subsection (i) shall address the circumstances under which the Secretary concerned may waive the certification requirement under paragraph (1) or extend a certification period under paragraph (2).

"(e) WRITTEN AGREEMENT.—

"(1) DISCRETIONARY FOR SKILL INCENTIVE PAY.—The Secretary concerned may require a member to enter into a written agreement with the Secretary in order to qualify for the payment of skill incentive pay. The written agreement shall specify the period for which the skill incentive pay will be paid to the member and the monthly rate of the pay.

"(2) REQUIRED FOR PROFICIENCY BONUS.—The Secretary concerned shall require a member to enter into a written agreement with the Secretary in order to qualify for payment of a proficiency bonus. The written agreement shall specify the amount of the proficiency bonus, the period for which the bonus will be

paid, and the initial certification or recertification necessary for payment of the proficiency bonus.

"(f) RESERVE COMPONENT MEMBERS PERFORMING INACTIVE DUTY TRAINING.—

"(1) PRORATION.—A member of a reserve component entitled to compensation under section 206 of this title who is authorized skill incentive pay under subsection (a) may be paid an amount of skill incentive pay that is proportionate to the compensation received by the member under section 206 of this title for inactive-duty training.

"(2) EXCEPTION FOR FOREIGN LANGUAGE PROFICIENCY.—No reduction in the amount of skill incentive pay may be made under paragraph (1) in the case of a member of a reserve component who is authorized skill incentive pay because of the member's proficiency in a foreign language.

"(g) REPAYMENT.—A member who receives skill incentive pay or a proficiency bonus under this section and who fails to fulfill the eligibility requirement for receipt of the pay or bonus shall be subject to the repayment provisions of section 373 of this title.

"(h) RELATIONSHIP TO OTHER PAYS AND ALLOWANCES.—A member may not be paid more than one pay under this section in any month for the same period of serv-

ice and skill. A member may be paid skill incentive pay or the proficiency bonus under this section in addition to any other pay and allowances to which the member is entitled, except that the member may not be paid skill incentive pay or a proficiency bonus under this section and hazardous duty pay under section 351(a)(4) of this title for the same period of service in the same career field or skill.

"(i) REGULATIONS.—This section shall be administered under regulations prescribed by—

"(1) the Secretary of Defense, with respect to the armed forces under the jurisdiction of the Secretary of Defense;

"(2) the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy;

"(3) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service; and

"(4) the Secretary of Commerce, with respect to the National Oceanic and Atmospheric Administration.

"SUBCHAPTER III—GENERAL PROVISIONS

"§ 371. Relationship to other incentives and pays

"(a) TREATMENT.—A bonus or incentive pay paid to a member of the uniformed services under subchapter II is

in addition to any other pay and allowance to which a member is entitled, unless otherwise provided under this chapter.

"(b) EXCEPTION.—A member may not receive a bonus or incentive pay under both subchapter I and subchapter II for the same activity, skill, or period of service.

"(c) RELATIONSHIP TO OTHER COMPUTATIONS.—The amount of a bonus or incentive pay to which a member is entitled under subchapter II may not be included in computing the amount of—

"(1) any increase in pay authorized by any other provision of this title; or

"(2) any retired pay, retainer pay, separation pay, or disability severance pay.

"§ 372. Continuation of pays during hospitalization for wounds, injury, or illness incurred while on duty in a hostile fire area or exposed to an event of hostile fire or other hostile action

"(a) CONTINUATION OF PAYS.—Notwithstanding any other provision of law, the Secretary concerned may continue to pay all pay and allowances to a member of a regular or reserve component of a uniformed service, including any bonus, incentive pay, or similar benefit, if the member—

"(1) incurs a wound, injury, or illness in the line of duty while serving in a combat operation or a combat zone, while serving in a hostile fire area, or while exposed to a hostile fire event, as described under section 351 of this title; and

"(2) is hospitalized for treatment of such wound, injury, or illness.

"(b) DURATION.—The continuation of pay and allowances of a member under subsection (a) shall expire at the end of the first month during which the member is no longer hospitalized for treatment.

"(c) DEFINITIONS.—In this section:

"(1) The term 'hospitalized for treatment', with respect to a member, means the member—

"(A) is admitted as an inpatient in a military treatment facility; or

"(B) is residing in quarters or in a facility affiliated with the military health care system for the purposes of receiving extensive outpatient rehabilitation or other medical care.

"(2) The term 'bonus, incentive pay, or similar benefit' means a bonus, incentive pay, special pay, or similar payment, or an educational benefit or stipend, paid to a member of the uniformed services under this title or title 10.

"§ 373. Repayment of unearned portion of bonus, incentive pay, or similar benefit when conditions of payment not met

"(a) REPAYMENT.—Except as provided in subsection (b), a member of the uniformed services who is paid a bonus, incentive pay, or similar benefit, the receipt of which is contingent upon the member's satisfaction of certain service or eligibility requirements, shall repay to the United States any unearned portion of the bonus, incentive pay, or similar benefit if the member fails to satisfy any such service or eligibility requirement.

"(b) EXCEPTIONS.—The regulations prescribed to administer this section may specify procedures for determining the circumstances under which an exception to the required repayment may be granted.

"(c) EFFECT OF BANKRUPTCY.—An obligation to repay the United States under this section is, for all purposes, a debt owed the United States. A discharge in bankruptcy under title 11 does not discharge a person from such debt if the discharge order is entered less than five years after—

"(1) the date of the termination of the agreement or contract on which the debt is based; or

"(2) in the absence of such an agreement or contract, the date of the termination of the service on which the debt is based.

"(d) DEFINITIONS.—In this section:

"(1) The term 'bonus, incentive pay, or similar benefit' means a bonus, incentive pay, special pay, or similar payment, or an educational benefit or stipend, paid to a member of the uniformed services under a provision of law that refers to the repayment requirements of this section or section 303a(e) of this title.

"(2) The term 'service' refers to an obligation willingly undertaken by a member of the uniformed services, in exchange for a bonus, incentive pay, or similar benefit offered by the Secretary concerned—

"(A) to a regular or reserve component member who remains on active duty or in an active status;

"(B) to perform duty in a specified skill, with or without a specified qualification or credential;

"(C) to perform duty in a specified assignment, location or unit; or

"(D) to perform duty for a specified period of time.

"§ 374. Regulations

"This subchapter shall be administered under regulations prescribed by—

"(1) the Secretary of Defense, with respect to the armed forces under the jurisdiction of the Secretary of Defense;

"(2) the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy;

"(3) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service; and

"(4) the Secretary of Commerce, with respect to the National Oceanic and Atmospheric Administration.".

(b) TRANSFER OF 15-YEAR CAREER STATUS BONUS TO SUBCHAPTER II.—

(1) TRANSFER.—Section 322 of title 37, United States Code, is transferred to appear after section 353 of subchapter II of chapter 5 of such title, as added by subsection (a), and is redesignated as section 354.

(2) CONFORMING AMENDMENT.—Subsection (f) of such section, as so transferred and redesignated, is amended by striking "section 303a(e)" and inserting "section 373".

(3) CROSS REFERENCES.—Sections 1401a, 1409(b)(2), and 1410 of title 10, United States Code,

are amended by striking "section 322" each place it appears and inserting "section 322 or 354".

(c) TRANSFER OF RETENTION INCENTIVES FOR MEMBERS QUALIFIED IN CRITICAL MILITARY SKILLS OR ASSIGNED TO HIGH PRIORITY UNITS.—

(1) TRANSFER.—Section 323 of title 37, United States Code, as amended by sections 614(e) and 621, is transferred to appear after section 354 of subchapter II of chapter 5 of such title, as transferred and redesignated by subsection (b)(1), and is redesignated as section 355.

(2) CONFORMING AMENDMENT.—Subsection (g) of such section, as so transferred and redesignated, is amended by striking "section 303a(e)" and inserting "section 373".

(d) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 5 of title 37, United States Code, is amended to read as follows:

"SUBCHAPTER I—EXISTING SPECIAL PAY, INCENTIVE PAY, AND BONUS AUTHORITIES

"Sec.
"301. Incentive pay: hazardous duty.
"301a. Incentive pay: aviation career.
"301b. Special pay: aviation career officers extending period of active duty.
"301c. Incentive pay: submarine duty.
"301d. Multiyear retention bonus: medical officers of the armed forces.
"301e. Multiyear retention bonus: dental officers of the armed forces.
"302. Special pay: medical officers of the armed forces.
"302a. Special pay: optometrists.
"302b. Special pay: dental officers of the armed forces.
"302c. Special pay: psychologists and nonphysician health care providers.
"302d. Special pay: accession bonus for registered nurses.
"302e. Special pay: nurse anesthetists.

"302f. Special pay: reserve, recalled, or retained health care officers.
"302g. Special pay: Selected Reserve health care professionals in critically short wartime specialties.
"302h. Special pay: accession bonus for dental officers.
"302i. Special pay: pharmacy officers.
"302j. Special pay: accession bonus for pharmacy officers.
"302k. Special pay: accession bonus for medical officers in critically short wartime specialties.
"302l. Special pay: accession bonus for dental specialist officers in critically short wartime specialties.
"303. Special pay: veterinarians.
"303a. Special pay: general provisions.
"303b. Waiver of board certification requirements.
"304. Special pay: diving duty.
"305. Special pay: hardship duty pay.
"305a. Special pay: career sea pay.
"305b. Special pay: service as member of Weapons of Mass Destruction Civil Support Team.
"306. Special pay: officers holding positions of unusual responsibility and of critical nature.
"306a. Special pay: members assigned to international military headquarters.
"307. Special pay: special duty assignment pay for enlisted members.
"307a. Special pay: assignment incentive pay.
"308. Special pay: reenlistment bonus.
"308b. Special pay: reenlistment bonus for members of the Selected Reserve.
"308c. Special pay: bonus for affiliation or enlistment in the Selected Reserve.
"308d. Special pay: members of the Selected Reserve assigned to certain high priority units.
"308g. Special pay: bonus for enlistment in elements of the Ready Reserve other than the Selected Reserve.
"308h. Special pay: bonus for reenlistment, enlistment, or voluntary extension of enlistment in elements of the Ready Reserve other than the Selected Reserve.
"308i. Special pay: prior service enlistment bonus.
"308j. Special pay: affiliation bonus for officers in the Selected Reserve.
"309. Special pay: enlistment bonus.
"310. Special pay: duty subject to hostile fire or imminent danger.
"312. Special pay: nuclear-qualified officers extending period of active duty.
"312b. Special pay: nuclear career accession bonus.
"312c. Special pay: nuclear career annual incentive bonus.
"314. Special pay or bonus: qualified members extending duty at designated locations overseas.
"315. Special pay: engineering and scientific career continuation pay.
"316. Special pay: bonus for members with foreign language proficiency.
"317. Special pay: officers in critical acquisition positions extending period of active duty.
"318. Special pay: special warfare officers extending period of active duty.
"319. Special pay: surface warfare officer continuation pay.
"320. Incentive pay: career enlisted flyers.
"321. Special pay: judge advocate continuation pay.
"324. Special pay: accession bonus for new officers in critical skills.
"325. Incentive bonus: savings plan for education expenses and other contingencies.
"326. Incentive bonus: conversion to military occupational specialty to ease personnel shortage.

"327. Incentive bonus: transfer between armed forces.
"328. Combat-related injury rehabilitation pay.
"329. Incentive bonus: retired members and reserve component members volunteering for high-demand, low-density assignments.
"330. Special pay: accession bonus for officer candidates.

"SUBCHAPTER II—CONSOLIDATION OF SPECIAL PAY, INCENTIVE PAY, AND BONUS AUTHORITIES

"331. General bonus authority for enlisted members.
"332. General bonus authority for officers.
"333. Special bonus and incentive pay authorities for nuclear officers.
"334. Special aviation incentive pay and bonus authorities for officers.
"335. Special bonus and incentive pay authorities for officers in health professions.
"351. Hazardous duty pay.
"352. Assignment pay or special duty pay.
"353. Skill incentive pay or proficiency bonus.
"354. Special pay: 15-year career status bonus for members entering service on or after August 1, 1986.
"355. Special pay: retention incentives for members qualified in critical military skills or assigned to high priority units.

"SUBCHAPTER III—GENERAL PROVISIONS

"371. Relationship to other incentives and pays.
"372. Continuation of pays during hospitalization for wounds, injury, or illness incurred while on duty in a hostile fire area or exposed to an event of hostile fire or other hostile action.
"373. Repayment of unearned portion of bonus, incentive pay, or similar benefit when conditions of payment not met.
"374. Regulations.".

1 ***SEC. 662. TRANSITIONAL PROVISIONS.***

2 *(a) IMPLEMENTATION PLAN.—*

3 *(1) DEVELOPMENT.—The Secretary of Defense*
4 *shall develop a plan to implement subchapters II and*
5 *III of chapter 5 of title 37, United States Code, as*
6 *added by section 661(a), and to correspondingly tran-*
7 *sition all of the special and incentive pay programs*
8 *for members of the uniformed services solely to provi-*
9 *sions of such subchapters.*

10 *(2) SUBMISSION.—Not later than one year after*
11 *the date of the enactment of this Act, the Secretary*

shall submit the implementation plan to the congressional defense committees.

(b) TRANSITION PERIOD.—During a transition period of not more than 10 years beginning on the date of the enactment of this Act, the Secretary of Defense, the Secretary of a military department, and the Secretaries referred to in subsection (c) may continue to use the authorities in provisions in subchapter I of chapter 5 of title 37, United States Code, as designated by section 661(a), but subject to the terms of such provisions and such modifications as the Secretary of Defense may include in the implementation plan, to provide bonuses and special and incentive pays for members of the uniformed services.

(c) COORDINATION.—The Secretary of Defense shall prepare the implementation plan in coordination with—

(1) the Secretary of Homeland Security, with respect to the Coast Guard;

(2) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service; and

(3) the Secretary of Commerce, with respect to the National Oceanic and Atmospheric Administration.

(d) NO EFFECT ON FISCAL YEAR 2008 OBLIGATIONS.—During fiscal year 2008, obligations incurred

under subchapters I, II, and III of chapter 5 of title 37, United States Code, as amended by section 661, to provide bonuses, incentive pays, special pays, and similar payments to members of the uniformed services under such subchapters may not exceed the obligations that would be incurred in the absence of the amendments made by such section.

Subtitle G—Other Matters

SEC. 671. EXPANSION OF EDUCATION LOAN REPAYMENT PROGRAM FOR MEMBERS OF THE SELECTED RESERVE.

(a) ADDITIONAL EDUCATIONAL LOANS ELIGIBLE FOR REPAYMENT.—Paragraph (1) of subsection (a) of section 16301 of title 10, United States Code, is amended—

(1) by striking "or" at the end of subparagraph (B);

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

(3) by adding at the end the following new subparagraph:

"(D) any loan incurred for educational purposes made by a lender that is—

"(i) an agency or instrumentality of a State;

"(ii) a financial or credit institution (including an insurance company) that is subject to examination and supervision by an agency of the United States or any State;

"(iii) a pension fund approved by the Secretary for purposes of this section; or

"(iv) a nonprofit private entity designated by a State, regulated by that State, and approved by the Secretary for purposes of this section.".

(b) PARTICIPATION OF OFFICERS IN PROGRAM.—Such subsection is further amended—

(1) in paragraph (2)—

(A) by striking "Except as provided in paragraph (3), the Secretary" and inserting "The Secretary"; and

(B) by striking "an enlisted member of the Selected Reserve of the Ready Reserve of an armed force in a reserve component and military specialty" and inserting "a member of the Selected Reserve of the Ready Reserve of an armed force in a reserve component and in an officer program or military specialty"; and

(2) by striking paragraph (3).

(c) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended to read as follows:

"§ 16301. Education loan repayment program: members of Selected Reserve".

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 1609 of such title is amended by striking the item relating to section 16301 and inserting the following new item:

"16301. Education loan repayment program: members of Selected Reserve.".

SEC. 672. ENSURING ENTRY INTO UNITED STATES AFTER TIME ABROAD FOR PERMANENT RESIDENT ALIEN MILITARY SPOUSES AND CHILDREN.

Section 284 of the Immigration and Nationality Act (8 U.S.C. 1354) is amended—

(1) by striking "Nothing" and inserting "(a) Nothing"; and

(2) by adding at the end the following new subsection:

"(b) In the case of a person lawfully admitted for permanent residence who is the spouse or child of a member of the Armed Forces of the United States, is authorized to accompany such member and reside abroad with the member pursuant to the member's official orders, and is so accompanying and residing with the member (in marital union if a spouse), such residence and physical presence abroad shall not be treated as—

"(1) an abandonment or relinquishment of lawful permanent resident status for purposes of section 101(a)(13)(C)(i); or

"(2) an absence from the United States for purposes of section 101(a)(13)(C)(ii).".

SEC. 673. OVERSEAS NATURALIZATION FOR MILITARY SPOUSES AND CHILDREN.

(a) SPOUSES.—Section 319 of the Immigration and Nationality Act (8 U.S.C. 1430) is amended by adding at the end the following new subsection:

"(e)(1) In the case of a person lawfully admitted for permanent residence in the United States who is the spouse of a member of the Armed Forces of the United States, is authorized to accompany such member and reside abroad with the member pursuant to the member's official orders, and is so accompanying and residing with the member in marital union, such residence and physical presence abroad shall be treated, for purposes of subsection (a) and section 316(a), as residence and physical presence in—

"(A) the United States; and

"(B) any State or district of the Department of Homeland Security in the United States.

"(2) Notwithstanding any other provision of law, a spouse described in paragraph (1) shall be eligible for naturalization proceedings oversees pursuant to section 1701(d)

of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 8 U.S.C. 1443a).".

(b) CHILDREN.—Section 322 of the Immigration and Nationality Act (8 U.S.C. 1433) is amended by adding at the end the following new subsection:

"(d) In the case of a child of a member of the Armed Forces of the United States who is authorized to accompany such member and reside abroad with the member pursuant to the member's official orders, and is so accompanying and residing with the member—

"(1) any period of time during which the member of the Armed Forces is residing abroad pursuant to official orders shall be treated, for purposes of subsection (a)(2)(A), as physical presence in the United States;

"(2) subsection (a)(5) shall not apply; and

"(3) the oath of allegiance described in subsection (b) may be subscribed to abroad pursuant to section 1701(d) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 8 U.S.C. 1443a).".

(c) OVERSEAS NATURALIZATION AUTHORITY.—Section 1701(d) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 8 U.S.C. 1443a) is amended—

(1) in the subsection heading, by inserting "AND THEIR SPOUSES AND CHILDREN" after "FORCES"; and

(2) by inserting ", and persons made eligible for naturalization by section 319(e) or 322(d) of such Act," after "Armed Forces".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act and apply to any application for naturalization or issuance of a certificate of citizenship pending on or after such date.

TITLE VII—HEALTH CARE PROVISIONS

Sec. 701. Extension of prohibition on increases in certain health care costs for members of the uniformed services.
Sec. 702. Temporary prohibition on increase in copayments under retail pharmacy system of pharmacy benefits program.
Sec. 703. Fair pricing under pharmacy benefits program.
Sec. 704. Prohibition on conversion of military medical and dental positions to civilian medical and dental positions.
Sec. 705. Establishment of Nurse Practitioner Program.
Sec. 706. Services of mental health counselors.
Sec. 707. Extension of pilot program for health care delivery.
Sec. 708. Stipend for members of Reserve Components for health care for certain dependents.
Sec. 709. Joint Pathology Center.
Sec. 710. Report on training in preservation of remains under combat or combat-related conditions.
Sec. 711. Pre- and post-deployment assessments for the purpose of determining the cognitive functioning and brain health of deployed members of the Armed Forces.
Sec. 712. Guaranteed funding for Walter Reed Army Medical Center.

SEC. 701. EXTENSION OF PROHIBITION ON INCREASES IN CERTAIN HEALTH CARE COSTS FOR MEMBERS OF THE UNIFORMED SERVICES.

(a) EXTENSION OF PROHIBITION ON INCREASE IN CHARGES UNDER CONTRACTS FOR MEDICAL CARE.—Section 1097(e) of title 10, United States Code, is amended by striking "2007" and inserting "2008".

(b) EXTENSION OF PROHIBITION IN INCREASE IN CHARGES FOR INPATIENT CARE.—Section 1086(b)(3) of title 10, United States Code, is amended by striking "2007." and inserting "2008".

(c) EXTENSION OF PROHIBITION ON INCREASE IN PREMIUMS UNDER TRICARE COVERAGE FOR CERTAIN MEMBERS IN THE SELECTED RESERVE.—Section 1076d(d)(3) of title 10, United States Code, is amended by striking "2007" and inserting "2008".

(d) EXTENSION OF PROHIBITION ON INCREASE IN PREMIUMS UNDER TRICARE COVERAGE FOR MEMBERS OF THE READY RESERVE.—Section 1076b(e)(3) of title 10, United States Code, is amended by striking "2007" and inserting "2008".

SEC. 702. TEMPORARY PROHIBITION ON INCREASE IN CO-PAYMENTS UNDER RETAIL PHARMACY SYSTEM OF PHARMACY BENEFITS PROGRAM.

During the period beginning on October 1, 2007, and ending on September 30, 2008, the cost sharing require-

ments established under paragraph (6) of section 1074g(a) of title 10, United States Code, for pharmaceutical agents available through retail pharmacies covered by paragraph (2)(E)(ii) of such section may not exceed amounts as follows:

(1) In the case of generic agents, $3.

(2) In the case of formulary agents, $9.

(3) In the case of nonformulary agents, $22.

SEC. 703. FAIR PRICING UNDER PHARMACY BENEFITS PROGRAM.

Section 1074g(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(9)(A) In carrying out this subsection, the Secretary may, to the extent recommended by the Pharmacy and Therapeutics Committee in the course of reviewing any therapeutic class of pharmaceutical agents, exclude from the pharmacy benefits program any pharmaceutical agent that is not provided to the Secretary consistent with the pricing standard set forth subparagraph (B).

"(B) The pricing standard referred to in subparagraph (A) is that the price of any pharmaceutical agent made available to beneficiaries through all the means described in paragraph (2)(E) shall be

the same as, or lower than, the price of the agent under section 8126 of title 38, United States Code.".

SEC. 704. PROHIBITION ON CONVERSION OF MILITARY MEDICAL AND DENTAL POSITIONS TO CIVILIAN MEDICAL AND DENTAL POSITIONS.

(a) PROHIBITION.—The Secretary of a military department may not convert any military medical or dental position to a civilian medical or dental position on or after October 1, 2007.

(b) REPORT.—

(1) REQUIREMENT.—The Secretary of Defense shall submit to the congressional defense committees a report on conversions made during fiscal year 2007 not later than 180 days after the enactment of this Act.

(2) MATTERS COVERED.—The report shall include the following:

(A) The number of military medical or dental positions, by grade or band and specialty, converted to civilian medical or dental positions.

(B) The results of a market survey in each affected area of the availability of civilian medical and dental care providers in such area in order to determine whether there were civilian medical and dental care providers available in

such area adequate to fill the civilian positions created by the conversion of military medical and dental positions to civilian positions in such area.

(C) An analysis, by affected area, showing the extent to which access to health care and cost of health care was affected in both the direct care and purchased care systems, including an assessment of the effect of any increased shifts in patient load from the direct care to the purchased care system, or any delays in receipt of care in either the direct or purchased care system because of the conversions.

(D) The extent to which military medical and dental positions converted to civilian medical or dental positions affected recruiting and retention of uniformed medical and dental personnel.

(E) A comparison of the full costs for the military medical and dental positions converted with the full costs for civilian medical and dental positions, including expenses such as recruiting, salary, benefits, training, and any other costs the Department identifies.

(F) An assessment showing that the military medical or dental positions converted were in excess of the military medical and dental positions needed to meet medical and dental readiness requirements of the uniformed services, as determined jointly by all the uniformed services.

(c) DEFINITIONS.—In this section:

(1) The term "military medical or dental position" means a position for the performance of health care functions within the Armed Forces held by a member of the Armed Forces.

(2) The term "civilian medical or dental position" means a position for the performance of health care functions within the Department of Defense held by an employee of the Department or of a contractor of the Department.

(3) The term "uniformed services" has the meaning given that term in section 1072(1) of title 10, United States Code.

(4) The term "conversion," with respect to a military medical or dental position, means a change of the position to a civilian medical or dental position, effective as of the date of the manning authorization document of the military department making the change (through a change in designation from mili-

tary to civilian in the document, the elimination of the listing of the position as a military position in the document, or through any other means indicating the change in the document or otherwise).

(d) REPEAL.—Section 742 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364; 120 Stat. 2306) is repealed.

SEC. 705. ESTABLISHMENT OF NURSE PRACTITIONER PROGRAM.

The Secretary of Defense shall establish at the Uniformed Services University of the Health Sciences a graduate education program for advanced-practice nursing. The Secretary shall, in consultation with the Secretaries of the military departments, determine programs of instruction leading to designation as a Nurse Practitioner, which shall include, at a minimum, family practice and psychiatric or mental health. The program shall be designed to ensure that graduates of the program are fully eligible to meet credentialing requirements of the military departments and at least one State.

SEC. 706. SERVICES OF MENTAL HEALTH COUNSELORS.

(a) REIMBURSEMENT OF MENTAL HEALTH COUNSELORS UNDER TRICARE.—

(1) REIMBURSEMENT UNDER TRICARE.—Section 1079(a)(8) of title 10, United States Code, is amended—

(A) by inserting "or licensed or certified mental health counselors" after "certified marriage and family therapists" both places it appears; and

(B) by inserting "or licensed or certified mental health counselors" after "that the therapists."

(2) AUTHORITY TO ASSESS MEDICAL OR PSYCHOLOGICAL NECESSITY OF SERVICE OR SUPPLY.—Section 1079(a)(13) of such title is amended by inserting ", licensed or certified mental health counselor," after "certified marriage and family therapist".

(b) SERVICES OF MENTAL HEALTH COUNSELORS.—

(1) AUTHORITY TO ENTER INTO PERSONAL SERVICES CONTRACTS.—Section 704(c)(2) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2799; 10 U.S.C. 1091 note) is amended by inserting "mental health counselors," after "psychologists,".

(2) APPLICABILITY OF LICENSURE REQUIREMENT FOR HEALTH-CARE PROFESSIONALS.—Section 1094 (e)(2) of title 10, United States Code, is amended by

inserting "mental health counselor," after "psychologist,".

SEC. 707. EXTENSION OF PILOT PROGRAM FOR HEALTH CARE DELIVERY.

(a) EXTENSION OF DURATION OF PILOT PROGRAM.—Section 721(e) of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 10 U.S.C. 1092 note) is amended by striking "and 2007" and inserting ", 2007, 2008, 2009, and 2010".

(b) EXTENSION OF REPORT DEADLINE.—Section 721(f) of such Act is amended by striking "July 1, 2007" and inserting "July 1, 2010".

(c) REVISION IN SELECTION CRITERIA.—Section 721(d)(2) of such Act is amended by striking "expected to increase over the next five years" and inserting "has increased over the five years preceding 2008".

(d) ADDITION TO REQUIREMENTS OF PILOT PROGRAM.—Section 721(b) of such Act is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period and inserting "; and" at the end of paragraph (4); and

(3) by adding at the end the following:

"(5) collaborate with State and local authorities to create an arrangement to share and exchange, be-

tween the Department of Defense and non-military health care systems, personal health information and data of military personnel and their families.''.

SEC. 708. STIPEND FOR MEMBERS OF RESERVE COMPONENTS FOR HEALTH CARE FOR CERTAIN DEPENDENTS.

The Secretary of Defense may pay a stipend to a member of a reserve component who is called or ordered to active duty for a period of more than 30 days for purposes of maintaining civilian health care coverage for a dependant whom the Secretary determines to possess a special health care need that would be best met by remaining in the member's civilian health plan. In making such determination, the Secretary shall consider whether—

(1) the dependent of the member was receiving treatment for the special health care need before the call or order to active duty of the member; and

(2) the call or order to active duty would result in an interruption in treatment or a change in health care provider for such treatment.

SEC. 709. JOINT PATHOLOGY CENTER.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a Joint Pathology Center located on the National Naval Medical Center in Bethesda, Maryland, that shall

function as the reference center in pathology for the Department of Defense.

(b) SERVICES.—The Joint Pathology Center shall provide, at a minimum, the following services:

(1) Diagnostic pathology consultation in medicine, dentistry, and veterinary sciences.

(2) Pathology education, to include graduate medical education, including residency and fellowship programs, and continuing medical education.

(3) Diagnostic pathology research.

SEC. 710. REPORT ON TRAINING IN PRESERVATION OF REMAINS UNDER COMBAT OR COMBAT-RELATED CONDITIONS.

(a) REPORT REQUIRED.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the requirements of section 567 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2224; 10 U.S.C. 1481 note).

(b) MATTERS COVERED.—The report shall include a detailed description of the implementation of such section, including—

(1) where the training program is taking place;

(2) who is providing the training;

(3) the number of each type of military health care professional trained to date; and

(4) what the training covers.

(c) DEADLINE.—The report required by this section shall be submitted not later than 180 days after the date of the enactment of this Act.

SEC. 711. PRE- AND POST-DEPLOYMENT ASSESSMENTS FOR THE PURPOSE OF DETERMINING THE COGNITIVE FUNCTIONING AND BRAIN HEALTH OF DEPLOYED MEMBERS OF THE ARMED FORCES.

(a) ESTABLISHMENT.—The Secretary of Defense, in collaboration with the Secretaries of the military departments, shall establish a computer-based program that assesses the cognitive functioning, in a pre- and post-deployment environment, of all members of the armed forces who are deployed in support of the Global War on Terror, including Operation Iraqi Freedom and Operation Enduring Freedom.

(b) MINIMUM PROTOCOL REQUIREMENTS.—

(1) IN GENERAL.—The program required by subsection (a) shall include—

(A) administration of computer-based neurocognitive assessments;

(B) pre-deployment assessments to establish a neurocognitive baseline for members of the Armed Forces for future treatment;

(C) a tool to assess mood states associated with post-traumatic stress syndrome; and

(D) a standardized battery of tests to assess traumatic brain injury.

(c) ASSESSMENTS.—

(1) FREQUENCY.—The predeployment assessment to baseline neurocognitive functioning shall be administered within 90 days prior to deployment. The post-deployment assessment shall be administered within 45 days of return from theater.

(2) REQUIREMENTS OF ASSESSMENT.—The computer-based neurocognitive assessments required by subsection (a) shall include the capability to be archived and stored on Department of Defense-based servers for future medical use.

(d) REPORT.—Not later than 9 months after the date of enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the implementation of this section.

1 ***SEC. 712. GUARANTEED FUNDING FOR WALTER REED ARMY***
2 ***MEDICAL CENTER.***

3 *The amount of funds available for the commander of*
4 *Walter Reed Army Medical Center for a fiscal year shall*
5 *be not less than the amount expended by the commander*
6 *of Walter Reed Army Medical Center in fiscal year 2006*
7 *until the first fiscal year beginning after the date on which*
8 *the Secretary of Defense certifies to the Committee on*
9 *Armed Services of the Senate and the Committee on Armed*
10 *Services of the House of Representatives that the expanded*
11 *facilities at the National Naval Medical Center, Bethesda,*
12 *Maryland, and DeWitt Army Community Hospital, Fort*
13 *Belvoir, Virginia, as described in section 304(a), are com-*
14 *pleted, equipped, and staffed with sufficient capacity to ac-*
15 *cept and provide at least the same level of care as patients*
16 *received at Walter Reed Army Medical Center during fiscal*
17 *year 2006.*

18 *TITLE VIII—ACQUISITION POL-*
19 *ICY, ACQUISITION MANAGE-*
20 *MENT, AND RELATED MAT-*
21 *TERS*

Subtitle A—Acquisition Policy and Management

Sec. 801. Definition of commercial services.
Sec. 802. Acquisition workforce provisions.
Sec. 803. Guidance on defense procurements made through contracts of other agencies.
Sec. 804. Prohibition on procurement from beneficiaries of foreign subsidies.
Sec. 805. Prohibition on procurement from companies in violation of the Iran and Syria Nonproliferation Act.
Sec. 806. Lead systems integrators.

Sec. 807. Procurement goal for Native Hawaiian-serving institutions and Alaska Native-serving institutions.
Sec. 808. Reinvestment in domestic sources of strategic materials.
Sec. 809. Clarification of the protection of strategic materials critical to national security.
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Subtitle B—Amendments to General Contracting Authorities, Procedures, and Limitations

Sec. 811. Change to the Truth in Negotiations Act exception for the acquisition of a commercial item.
Sec. 812. Clarification of submission of cost or pricing data on noncommercial modifications of commercial items.
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Sec. 814. Extension of authority for use of simplified acquisition procedures for certain commercial items.
Sec. 815. Extension of authority to fill shortage category positions for certain federal acquisition positions.
Sec. 816. Extension of authority to carry out certain prototype projects.
Sec. 817. Clarification of limited acquisition authority for special operations command.
Sec. 818. Exemption of special operations command from certain requirements for contracts relating to vessels, aircraft, and combat vehicles.
Sec. 819. Provision of authority to maintain equipment to unified combatant command for joint warfighting.
Sec. 820. Market research.

Subtitle C—Accountability in Contracting

Sec. 821. Limitation on length of noncompetitive contracts.
Sec. 822. Maximizing fixed-price procurement contracts.
Sec. 823. Public disclosure of justification and approval documents for noncompetitive contracts.
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Subtitle D—Contracts Relating to Iraq and Afghanistan

Sec. 831. Memorandum of understanding on matters relating to contracting.
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Subtitle E—Other Matters

Sec. 841. Rapid Commercial Information Technology Identification Demonstration Project.
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Sec. 843. Requirement for licensing of certain military designations and likenesses of weapons systems to toy and hobby manufacturers.

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Sec. 845. Evaluation of cost of compliance with requirement to buy certain articles from American sources.
Sec. 846. Requirements relating to waivers of certain domestic source limitations.
Sec. 847. Multiple cost threshold breaches.
Sec. 848. Phone cards.
Sec. 849. Jurisdiction under Contract Disputes Act of 1978 over claims, disputes, and appeals arising out of maritime contracts.
Sec. 850. Clarification of jurisdiction of the United States district courts to hear bid protest disputes involving maritime contracts.

Subtitle A—Acquisition Policy and Management

SEC. 801. DEFINITION OF COMMERCIAL SERVICES.

(a) COMMERCIAL ITEM REGULATIONS TO BE USED ONLY FOR COMMERCIAL SERVICES MEETING STATUTORY DEFINITION.—The Administrator for Federal Procurement Policy shall revise the Federal Acquisition Regulation to ensure that only commercial services as defined in section 4(12)(F) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)(F)) are procured under procedures set forth in Part 12 of the Federal Acquisition Regulation. In carrying out the revision, the Administrator shall remove the words "of a type" from the definition of commercial services to be procured under such Part 12.

(b) REQUIREMENT TO ANALYZE TWO OPTIONS FOR PROCUREMENT OF SERVICES SIMILAR TO COMMERCIAL SERVICES.—The Administrator for Federal Procurement Policy shall analyze the two options described in subsection (c) to determine which regulations would be in the best interest of the Government for the procurement of services

similar to commercial services. After completing the analysis, the Administrator shall revise the Federal Acquisition Regulation to include the option that the Administrator has determined to be in the best interest of the Government.

(c) OPTIONS FOR ANALYSIS.—The two options are as follows:

(1) OPTION 1.—Part 12 of the Federal Acquisition, relating to acquisition of commercial items, with the following additional provisions:

(A) Subject to subparagraph (B), the contracting officer may request the following information from the offeror:

(i) Prices paid for the same or similar commercial items under comparable terms and conditions by both government and commercial customers.

(ii) Information regarding price or cost that may support the price offered, such as wages, subcontracts, or material costs.

(iii) Such other information as the Administrator considers appropriate.

(B) The contracting officer should not request more information than is necessary to determine that an offered price is reasonable.

(2) OPTION 2.—Part 15 of the Federal Acquisition Regulation, relating to contracting by negotiation, as in effect on the date of the enactment of this Act.

SEC. 802. ACQUISITION WORKFORCE PROVISIONS.

(a) REPEAL OF SUNSET OF ACQUISITION WORKFORCE TRAINING FUND.—Section 37(h)(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 433(h)(3)) is amended by striking subparagraph (H).

(b) REQUIREMENT FOR SECTION ON ACQUISITION WORKFORCE IN STRATEGIC HUMAN CAPITAL PLAN.—

(1) IN GENERAL.—In the update of the strategic human capital plan for 2008, and in each subsequent update, the Secretary of Defense shall include a separate section focused on the defense acquisition workforce, including both military and civilian personnel.

(2) FUNDING.—The section shall contain—

(A) an identification of the funding programmed for acquisition workforce training in the future years defense program;

(B) a determination by the Secretary of whether such funding is adequate; and

(C) an evaluation of how such funding can be protected from being diverted to other uses.

(3) AREAS OF NEED.—The section also shall identify any areas of need in the acquisition workforce, including—

(A) changes to the types of skills needed in the acquisition workforce;

(B) incentives to retain in the acquisition workforce qualified, experienced acquisition workforce personnel; and

(C) incentives for attracting new, high-quality personnel to the acquisition workforce.

(c) STRATEGIC HUMAN CAPITAL PLAN DEFINED.—In this section, the term "strategic human capital plan" means the strategic human capital plan required under section 1122 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3452; 10 U.S.C. prec. 1580 note).

SEC. 803. GUIDANCE ON DEFENSE PROCUREMENTS MADE THROUGH CONTRACTS OF OTHER AGENCIES.

(a) GUIDANCE.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall issue guidance on the use of interagency contracting by the Department of Defense.

(b) MATTERS COVERED.—The guidance shall include, at a minimum, the following provisions:

(1) Items unique to the Department of Defense may not be acquired by interagency contracting.

(2) Acquisition officials should make a good faith effort, including through the conduct of market research, if appropriate, to identify whether an item considered for interagency contracting is already being provided under a contract awarded by the Department of Defense.

(3) Acquisition officials shall ensure that, with respect to the outside agency involved in any procurement through interagency contracting, any requirements related to the procurement that are specific to the Department of Defense shall be identified and communicated to the agency, including relevant requirements of the following:

(A) The Federal Acquisition Regulation.

(B) The Department of Defense Supplement to the Federal Acquisition Regulation.

(C) Appropriations laws.

(D) Provisions in law or regulation that are unique to defense procurement and that apply to the specific contract under consideration, but that may not be included under subparagraph (A), (B), or (C).

(c) DEFINITIONS.—In this section:

(1) INTERAGENCY CONTRACTING.—The term "interagency contracting" means the procurement of goods or services (under section 1535 of title 31, United States Code) through a contract entered into by an agency outside the Department of Defense.

(2) ACQUISITION OFFICIAL.—The term "acquisition official" means—

(A) in the case of a direct acquisition, the contracting officer for the acquisition; and

(B) in the case of an assisted acquisition, the program manager coordinating the acquisition for the Department of Defense.

(3) DIRECT ACQUISITION.—The term "direct acquisition" means the type of interagency contracting through which the Department of Defense orders an item or service from a government-wide acquisition contract maintained by an agency outside the Department.

(4) ASSISTED ACQUISITION.—The term "assisted acquisition" means the type of interagency contracting through which an agency outside the Department of Defense awards a contract for the procurement of goods or services.

SEC. 804. PROHIBITION ON PROCUREMENT FROM BENEFICIARIES OF FOREIGN SUBSIDIES.

(a) PROHIBITION.—The Secretary of Defense may not enter into a contract for the procurement of goods or services from any foreign person to which the government of a foreign country that is a member of the World Trade Organization has provided a subsidy if—

(1) the United States has requested consultations with that foreign country under the Agreement on Subsidies and Countervailing Measures on the basis that the subsidy is a prohibited subsidy under that Agreement; and

(2) either—

(A) the issue before the World Trade Organization has not been resolved; or

(B) the World Trade Organization has ruled that the subsidy provided by the foreign country is a prohibited subsidy under the Agreement on Subsidies and Countervailing Measures.

(b) JOINT VENTURES.—The prohibition under subsection (a) with respect to a foreign person also applies to any joint venture, cooperative organization, partnership, or contracting team of which that foreign person is a member.

(c) SUBCONTRACTS AND TASK ORDERS.—The prohibition under subsection (a) with respect to a contract also applies to any subcontracts at any tier entered into under

the contract and any task orders at any tier issued under the contract.

(d) DEFINITIONS.—In this section:

(1) The term "Agreement on Subsidies and Countervailing Measures" means the agreement described in section 101(d)(12) of the Uruguay Round Agreements Act (19 U.S.C. 3501(d)(12)).

(2) The term "foreign person" means—

(A) an individual who is not a United States person or an alien lawfully admitted for permanent residence into the United States; or

(B) a corporation, partnership, or other nongovernmental entity which is not a United States person.

(3) The term "United States person" means—

(A) a natural person who is a citizen of the United States or who owes permanent allegiance to the United States; and

(B) a corporation or other legal entity which is organized under the laws of the United States, any State or territory thereof, or the District of Columbia, if natural persons described in subparagraph (A) own, directly or indirectly, more than 50 percent of the outstanding capital

stock or other beneficial interest in such legal entity.

(e) APPLICABILITY.—

(1) PROGRAMS WITH MILESTONE B APPROVAL NOT COVERED.—The prohibition under subsection (a) shall not apply to any contract under a major defense acquisition program that has received Milestone B approval as of the date of the enactment of this Act.

(2) DEFINITIONS.—In this subsection:

(A) The term "major defense acquisition program" means a Department of Defense acquisition program that is a major defense acquisition program for purposes of section 2430 of title 10, United States Code.

(B) The term "Milestone B approval" has the meaning provided that term in section 2366(e)(7) of such title.

SEC. 805. PROHIBITION ON PROCUREMENT FROM COMPANIES IN VIOLATION OF THE IRAN AND SYRIA NONPROLIFERATION ACT.

(a) PROHIBITION.—Except as provided in subsection (c), funds appropriated or otherwise available to the Department of Defense may not be used for the procurement of goods or services from a source subject to sanctions for violations of the Iran and Syria Nonproliferation Act (Pub-

lic Law 106–178; 50 U.S.C. 1701 note) or from any source that is owned or controlled by a sanctioned entity.

(b) CONTRACTS COVERED.—This section applies to prime contracts and subcontracts at any tier under such contracts.

(c) EXCEPTION.—

(1) IN GENERAL.—Subsection (a) does not apply in any case in which the Secretary of Defense determines that there is a compelling reason to solicit an offer from, award a contract or subcontract to, or extend a contract or subcontract with a source described in that subsection. The exception in the preceding sentence may not be used if the same or reasonably equivalent products or services are available from a non-sanctioned source.

(2) NOTICE TO CONGRESS.—The Secretary shall transmit to the Committees on Armed Services of the Senate and the House of Representatives a notice of any determination made under paragraph (1) at the time of the determination.

SEC. 806. LEAD SYSTEMS INTEGRATORS.

(a) PROHIBITION ON THE USE OF LEAD SYSTEMS INTEGRATORS.—The Department of Defense may not award any new contracts for lead systems integrator functions in the acquisition of major systems, effective October 1, 2011.

(b) PLAN FOR ACQUISITION WORKFORCE.—

(1) REQUIREMENT.—The Secretary of Defense shall develop a plan for establishing the appropriate size of the acquisition workforce to accomplish inherently governmental functions related to acquisition of major weapons systems. In developing the plan, the Secretary shall, at a minimum—

(A) identify the positions and skills, due to their inherently governmental nature, that should be supplied by Department of Defense personnel versus contractor personnel;

(B) identify the gaps in skills that exist within the current defense workforce;

(C) create a plan for closing such skill gaps;

(D) create a plan for obtaining a proper match between the level of acquisition expertise within each acquisition program office and the level of risk associated with the acquisition program that the program office is expected to manage; and

(E) identify the additional personnel or hiring authorities that may be required on an interim basis, until such time as the Department of Defense has sufficient government personnel to

fill the positions designated as inherently governmental.

(2) DEADLINE.—The plan described in paragraph (1) shall be submitted to the congressional defense committees no later than October 1, 2008.

(c) EXCEPTION FOR CONTRACTS FOR OTHER MANAGEMENT SERVICES.—The Department of Defense may continue to award contracts for the procurement of services the primary purpose of which is to perform acquisition support functions with respect to the development or production of a major system, if the following conditions are met:

(1) The contractor may not perform inherently governmental functions, as may be prescribed by the Secretary of Defense, including—

(A) determining courses of action to be taken in the best interest of the government; and

(B) determining best technical performance for the warfighter; and

(2) a prime contractor for such a contract may not award a subcontract to an entity owned in whole or in part by the prime contractor.

(d) DEFINITIONS.—In this section:

(1) LEAD SYSTEMS INTEGRATOR.—The term "lead systems integrator" means—

(A) a prime contractor for the development or production of a major system, if the prime contractor is not expected at the time of award to perform a substantial portion of the work on the system and the major subsystems; or

(B) a prime contractor under a contract for the procurement of services the primary purpose of which is to perform acquisition functions closely associated with inherently governmental functions with respect to the development or production of a major system.

(2) MAJOR SYSTEM.—The term "major system" has the meaning given such term in section 2302d of title 10, United States Code.

SEC. 807. PROCUREMENT GOAL FOR NATIVE HAWAIIAN-SERVING INSTITUTIONS AND ALASKA NATIVE-SERVING INSTITUTIONS.

Section 2323 of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking "and" at the end of subparagraph (C);

(B) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(E) Native Hawaiian-serving institutions and Alaska Native-serving institutions (as defined in section 317 of the Higher Education Act of 1965).";

(2) in subsection (a)(2) by inserting after "Hispanic-serving institutions," the following: "Native Hawaiian-serving institutions and Alaska Native-serving institutions,";

(3) in subsection (c)(1), by inserting after "Hispanic-serving institutions," the following: "Native Hawaiian-serving institutions and Alaska Native-serving institutions,"; and

(4) in subsection (c)(3), by inserting after "Hispanic-serving institutions," the following: "to Native Hawaiian-serving institutions and Alaska Native -serving institutions,".

SEC. 808. REINVESTMENT IN DOMESTIC SOURCES OF STRATEGIC MATERIALS.

(a) REINVESTMENT REQUIRED.—

(1) PROPOSAL EVALUATION CRITERIA.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall issue guidance requiring that all Department of Defense solicitations for pro-

posals for major systems that could contain strategic materials clearly specify that an evaluation criteria for such proposals will be the extent to which each prospective strategic material supplier demonstrates a record of sustained reinvestment in processes, infrastructure, workforce training, and facilities for domestic production of such a material, as well as a plan for continued reinvestment.

(2) FLOW DOWN REQUIRED.—Guidance issued under this subsection shall require that the evaluation criteria be incorporated by reference into any solicitation for sources of strategic materials at any contractual tier.

(b) REVIEW AND REPORT.—

(1) REVIEW REQUIRED.—The Strategic Materials Protection Board, established under section 187 of title 10, United States Code, shall, on an annual basis—

(A) review the number of proposals submitted for major systems that could contain strategic materials; and

(B) as part of the Board's duties under paragraph (2) and (3) of section 187(b) of such title, determine the following:

(i) The percentage of proposals that were found to be responsive to the reinvestment evaluation criteria required under subsection (a).

(ii) The percentage of responsive proposals that were awarded.

(iii) The percentage of non-responsive proposals that were awarded.

(iv) The long-term viability of strategic materials suppliers, based upon the past and future reinvestment planned by the suppliers.

(2) INCLUSION IN BOARD REPORT.—The Strategic Materials Protection Board shall include its findings in the next report submitted to Congress under section 187(d) of title 10, United States Code, after the date of the enactment of this Act. The Board shall include the findings of subsequent annual reviews in subsequent reports submitted under such section.

(c) DEFINITIONS.—In this section:

(1) STRATEGIC MATERIAL.—The term "strategic material" means—

(A) a material designated as critical to national security by the Strategic Materials Protec-

tion Board in accordance with the section 187 of title 10, United States Code;

(B) a specialty metal as defined by section 2533b of title 10, United States Code; or

(C) steel.

(2) MAJOR SYSTEM.—The term "major system" has the meaning provided in section 2302 of title 10, United States Code.

SEC. 809. CLARIFICATION OF THE PROTECTION OF STRATEGIC MATERIALS CRITICAL TO NATIONAL SECURITY.

(a) DEFINITION OF REQUIRED FORM.—Subsection (b) of section 2533b of title 10, United States Code, is amended by striking the period at the end and inserting the following: "and the term 'required form' means mill products, such as slab, plate and sheet, in the required form necessary. The term 'required form' shall not apply to end items or to their components at any tier.".

(b) APPLICABILITY TO PROCUREMENTS OF COMMERCIAL ITEMS.—Subsection (h) of section 2533b of title 10, United States Code, is amended by inserting "or 35" after "This section applies to procurements of commercial items notwithstanding section 34."

(c) REVISION OF DOMESTIC NON-AVAILABILITY DETERMINATIONS.—Any Domestic Non-Availability Deter-

mination made by the Department of Defense between December 6, 2006 and the date 60 days after the date of the enactment of this Act shall be reviewed and amended, if necessary, to comply with subsection (a) and (b).

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to contracts entered into 60 days after the date of the enactment of this Act.

SEC. 810. DEBARMENT OF CONTRACTORS CONVICTED OF CRIMINAL VIOLATIONS OF THE ARMS EXPORT CONTROL ACT.

(a) DEBARMENT.—Except as provided in subsection (b), if the Secretary of Defense determines that a contractor or prospective contractor has been convicted of a criminal violation of any provision of the Arms Export Control Act (22 U.S.C. 2751 et seq.), the Secretary shall debar such contractor or prospective contractor from contracting with the Department of Defense for a period not to exceed 5 years, not later than 90 days after determining that the contractor has been so convicted.

(b) EXCEPTION.—

(1) IN GENERAL.—Subsection (a) does not apply in any case in which the Secretary determines that there is a compelling reason to solicit an offer from, award a contract to, extend a contract with, or ap-

prove a subcontract with such contractor or prospective contractor.

(2) PUBLIC NOTICE.—The Secretary shall transmit to the Administrator of General Services a notice of any determination made under paragraph (1) at the time of the determination. The Administrator of General Services shall maintain each such notice in a file available for public inspection.

(c) DEFINITION.—In this section, the term "debar" has the meaning given that term by section 2393(c) of title 10, United States Code.

Subtitle B—Amendments to General Contracting Authorities, Procedures, and Limitations

SEC. 811. CHANGE TO THE TRUTH IN NEGOTIATIONS ACT EXCEPTION FOR THE ACQUISITION OF A COMMERCIAL ITEM.

Section 2306a(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) CERTAIN SOLE SOURCE PROCUREMENTS.—The exception in paragraph (1)(C) does not apply in the case of a contract, subcontract, or modification of a contract or subcontract that is for a commercial item to be procured using procedures other than competitive procedures—

"(A) if the contracting officer determines that commercial sales data are insufficient to determine a fair and reasonable price; and

"(B) if the contractor's business segment has submitted certified cost or pricing data in connection with at least one contract award or contract modification.".

SEC. 812. CLARIFICATION OF SUBMISSION OF COST OR PRICING DATA ON NONCOMMERCIAL MODIFICATIONS OF COMMERCIAL ITEMS.

(a) MEASUREMENT OF PERCENTAGE AT CONTRACT AWARD.—Section 2306a(b)(3)(A) of title 10, United States Code, is amended by inserting after "total price of the contract" the following: "(at the time of contract award)".

(b) ADJUSTMENT OF DOLLAR AMOUNT.—Section 2306a(b)(3)(A) of such title is amended by striking "$500,000" and inserting "$650,000".

SEC. 813. PLAN FOR RESTRICTING GOVERNMENT-UNIQUE CONTRACT CLAUSES ON COMMERCIAL CONTRACTS.

(a) PLAN.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall develop and implement a plan to minimize the number of Government-unique contract clauses used in commercial contracts by restricting the clauses to the following:

(1) Government-unique clauses authorized by law or regulation.

(2) Any additional clauses that are relevant and necessary to a specific contract.

(b) COMMERCIAL CONTRACT.—In this section:

(1) The term "commercial contract" means a contract awarded by the Federal Government for the procurement of a commercial item.

(2) The term "commercial item" has the meaning provided by section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

SEC. 814. EXTENSION OF AUTHORITY FOR USE OF SIMPLIFIED ACQUISITION PROCEDURES FOR CERTAIN COMMERCIAL ITEMS.

Section 4202(e) of the Clinger-Cohen Act of 1996 (division D of Public Law 104–106; 110 Stat. 652; 10 U.S.C. 2304 note) is amended by striking "January 1, 2008" and inserting "January 1, 2010".

SEC. 815. EXTENSION OF AUTHORITY TO FILL SHORTAGE CATEGORY POSITIONS FOR CERTAIN FEDERAL ACQUISITION POSITIONS.

Section 1413(b) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1665) is amended by striking "September 30, 2007" and inserting "September 30, 2012".

SEC. 816. EXTENSION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

Section 845(i) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended by striking "September 30, 2008" and inserting "September 30, 2013".

SEC. 817. CLARIFICATION OF LIMITED ACQUISITION AUTHORITY FOR SPECIAL OPERATIONS COMMAND.

Section 167(e)(4) of title 10, United States Code, is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

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

"(C)(i) The staff of the commander shall include an acquisition executive, who shall be responsible for the same functions and duties, and have the same authorities, as the service acquisition executives for the military departments.

"(ii) The staff of the commander shall include a senior procurement executive, who shall be responsible for providing management direction of the procurement system of the command, advising and assisting the commander and other officials of the combatant command to ensure that activities and missions of the command are achieved through the management of the procurement system of the command,

and otherwise being responsible for the same functions and duties, and having the same authorities, as the senior procurement executive for the military departments.

"(iii) The commander of the special operations command may designate the same individual to the position of acquisition executive and the position of senior procurement executive.

"(iv) Any reference to service acquisition executive or senior procurement executive of a military department in any Federal law, Executive order, or regulation is deemed to include the acquisition executive or senior procurement executive of the special operations command unless such law, order, or regulation explicitly excludes such positions by reference to this section.".

SEC. 818. EXEMPTION OF SPECIAL OPERATIONS COMMAND FROM CERTAIN REQUIREMENTS FOR CONTRACTS RELATING TO VESSELS, AIRCRAFT, AND COMBAT VEHICLES.

Subsection (e) of section 167 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The commander of the command, in carrying out his functions under this subsection, may carry out such functions with respect to a contract covered by section 2401

of this title without regard to subsection (b) of that section if—

"(A) the contract is for a term of not more than 5 years (including all options to renew or extend the contract); and

"(B) funds are available and obligated for the full cost of the contract (including termination costs) on or before the date the contract is awarded.".

SEC. 819. PROVISION OF AUTHORITY TO MAINTAIN EQUIPMENT TO UNIFIED COMBATANT COMMAND FOR JOINT WARFIGHTING.

Section 167a of title 10, United States Code, is amended—

(1) in subsection (a), by striking "and acquire" and inserting ", acquire, and maintain";

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

(3) by inserting after subsection (e) the following new subsection:

"(f) LIMITATION ON AUTHORITY TO MAINTAIN EQUIPMENT.—The authority delegated under subsection (a) to maintain equipment is subject to the availability of funds authorized and appropriated specifically for that purpose.".

SEC. 820. MARKET RESEARCH.

(a) MARKET RESEARCH.—Subsection (c) of section 2377 of title 10, United States Code, is amended as follows:

(1) The subsection heading is amended by striking "PRELIMINARY".

(2) Paragraph (1) is amended—

(A) by striking "research appropriate to the circumstances—" and inserting "research—";

(B) by striking "and" at the end of subparagraph (A);

(C) by striking the period at the end of subparagraph (B) and inserting "; and"; and

(D) by adding at the end the following:

"(C) before awarding a task order in excess of the simplified acquisition threshold.".

(3) The subsection is amended by adding at the end the following new paragraphs:

"(4) The Secretary of Defense shall ensure that market research under this subsection includes use of an appropriately tailored search engine to access the world wide web in order to identify readily available capabilities in the commercial market place.

"(5) For programs with a value in excess of $1,000,000, the contracting officer must certify that market research was performed before award of the contract or task order.".

(b) EVALUATION OF CERTAIN INCENTIVES.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall evaluate options for preferences or economic incentives for contractors that maximize the use of readily available and proven capabilities in the commercial market place.

Subtitle C—Accountability in Contracting

SEC. 821. LIMITATION ON LENGTH OF NONCOMPETITIVE CONTRACTS.

(a) REVISION OF FAR.—Not later than one year after the date of the enactment of this Act, the Federal Acquisition Regulation shall be revised to restrict the contract period of any contract described in subsection (c) to the minimum contract period necessary—

(1) to meet the urgent and compelling requirements of the work to be performed under the contract; and

(2) to enter into another contract for the required goods or services through the use of competitive procedures.

(b) CONTRACT PERIOD.—The regulations promulgated under subsection (a) shall require the contract period to not exceed one year, unless the head of the executive agency con-

cerned determines that the Government would be seriously injured by the limitation on the contract period.

(c) COVERED CONTRACTS.—This section applies to any contract in an amount greater than $1,000,000 entered into by an executive agency using procedures other than competitive procedures pursuant to the exception provided in section 303(c)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)(2)) or section 2304(c)(2) of title 10, United States Code.

(d) DEFINITIONS.—In this section:

(1) The term "executive agency" has the meaning provided in section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)).

(2) The term "head of the executive agency" means the head of an executive agency except that, in the case of the Department of Defense, the term means—

(A) in the case of a military department, the Secretary of the military department;

(B) in the case of a Defense Agency, the head of the Defense Agency; and

(C) in the case of any part of the Department of Defense other than a military department or Defense Agency, the Under Secretary of

Defense for Acquisition, Technology, and Logistics.

SEC. 822. MAXIMIZING FIXED-PRICE PROCUREMENT CONTRACTS.

(a) PLANS REQUIRED.—Subject to subsection (c), the head of each executive agency covered by title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) or, in the case of the Department of Defense, the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall develop and implement a plan to maximize, to the fullest extent practicable, the use of fixed-price type contracts for the procurement of goods and services by the agency or department concerned. The plan shall contain measurable goals and shall be completed and submitted to the Committee on Oversight and Government Reform of the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committees on Appropriations of the House of Representatives and the Senate and, in the case of the Department of Defense and the Department of Energy, the Committees on Armed Services of the Senate and the House of Representatives, with a copy provided to the Comptroller General, not later than 1 year after the date of the enactment of this Act.

(b) COMPTROLLER GENERAL REVIEW.—The Comptroller General shall review the plans provided under subsection (a) and submit a report to Congress on the plans not later than 18 months after the date of the enactment of this Act.

(c) REQUIREMENT LIMITED TO CERTAIN AGENCIES.—The requirement of subsection (a) shall apply only to those agencies that awarded contracts in a total amount of at least $1,000,000,000 in the fiscal year preceding the fiscal year in which the report is submitted.

SEC. 823. PUBLIC DISCLOSURE OF JUSTIFICATION AND APPROVAL DOCUMENTS FOR NONCOMPETITIVE CONTRACTS.

(a) CIVILIAN AGENCY CONTRACTS.—

(1) IN GENERAL.—Section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253) is amended by adding at the end the following new subsection:

"(j)(1)(A) Except as provided in subparagraph (B), in the case of a procurement permitted by subsection (c), the head of an executive agency shall make publicly available, within 14 days after the award of the contract, the documents containing the justification and approval required by subsection (f)(1) with respect to the procurement.

"(B) In the case of a procurement permitted by subsection (c)(2), subparagraph (A) shall be applied by substituting '30 days' for '14 days'.

"(2) The documents shall be made available on the website of the agency and through the Federal Procurement Data System.

"(3) This subsection does not require the public availability of information that is exempt from public disclosure under section 552(b) of title 5, United States Code.".

(2) CONFORMING AMENDMENT.—Section 303(f) of such Act is amended—

(A) by striking paragraph (4); and

(B) by redesignating paragraph (5) as paragraph (4).

(b) DEFENSE AGENCY CONTRACTS.—

(1) IN GENERAL.—Section 2304 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(l)(1)(A) Except as provided in subparagraph (B), in the case of a procurement permitted by subsection (c), the head of an agency shall make publicly available, within 14 days after the award of the contract, the documents containing the justification and approval required by subsection (f)(1) with respect to the procurement.

"(B) In the case of a procurement permitted by subsection (c)(2), subparagraph (A) shall be applied by substituting '30 days' for '14 days'.

"(2) The documents shall be made available on the website of the agency and through the Federal Procurement Data System.

"(3) This subsection does not require the public availability of information that is exempt from public disclosure under section 552(b) of title 5.".

(2) CONFORMING AMENDMENT.—Section 2304(f) of such title is amended—

(A) by striking paragraph (4); and

(B) by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively.

SEC. 824. DISCLOSURE OF GOVERNMENT CONTRACTOR AUDIT FINDINGS.

(a) QUARTERLY REPORT TO CONGRESS.—

(1) REQUIREMENT.—The head of each Federal agency or department or, in the case of the Department of Defense, the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall submit to the chairman and ranking member of each committee specified in paragraph (2) on a quarterly basis a report that includes the following:

(A) A list of completed audits performed by such agency or department issued during the applicable quarter that describe contractor costs in excess of $10,000,000 that have been identified as unjustified, unsupported, questioned, or unreasonable under any contract, task or delivery order, or subcontract.

(B) The specific amounts of costs identified as unjustified, unsupported, questioned, or unreasonable and the percentage of their total value of the contract, task or delivery order, or subcontract.

(C) A list of completed audits performed by such agency or department issued during the applicable quarter that identify material deficiencies in the performance of any contractor or in any business system of any contractor under any contract, task or delivery order, or subcontract.

(2) COMMITTEES.—The report described in paragraph (1) shall be submitted to—

(A) the Committee on Oversight and Government Reform of the House of Representatives;

(B) the Committee on Homeland Security and Governmental Affairs of the Senate;

(C) the Committees on Appropriations of the House of Representatives and the Senate;

(D) in the case of reports from the Department of Defense or the Department of Energy, the Committees on Armed Services of the Senate and the House of Representatives; and

(E) the committees of primary jurisdiction over the agency or department submitting the report.

(3) EXCEPTION.—Paragraph (1) shall not apply to an agency or department with respect to a calendar quarter if no audits described in paragraph (1) were issued during that quarter.

(b) SUBMISSION OF INDIVIDUAL AUDITS.—

(1) REQUIREMENT.—The head of each Federal agency or department shall provide, within 14 days after a request in writing by the chairman or ranking member of any committee listed in paragraph (2), a full and unredacted copy of any audit described in subsection (a)(1). Such copy shall include an identification of information in the audit exempt from public disclosure under section 552(b) of title 5, United States Code.

(2) COMMITTEES.—The committees listed in this paragraph are the following:

(A) The Committee on Oversight and Government Reform of the House of Representatives.

(B) The Committee on Homeland Security and Governmental Affairs of the Senate.

(C) The Committees on Appropriations of the House of Representatives and the Senate.

(D) In the case of the Department of Defense or the Department of Energy, the Committees on Armed Services of the Senate and House of Representatives.

(E) The committees of primary jurisdiction over the agency or department to which the request is made.

SEC. 825. STUDY OF ACQUISITION WORKFORCE.

(a) REQUIREMENT FOR STUDY.—The Administrator for Federal Procurement Policy shall conduct a study of the composition, scope, and functions of the Government-wide acquisition workforce and develop a comprehensive definition of, and method of measuring the size of, such workforce.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit to the relevant congressional committees a report on the results of the study required by subsection (a), with such find-

ings and recommendations as the Administrator determines appropriate.

SEC. 826. REPORT TO CONGRESS.

(a) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Director of the Office of Government Ethics shall submit a report to Congress that contains the Director's recommendations on requiring Government contractors that advise one or more Federal agencies on procurement policy, and requiring federally funded research and development centers, to comply with restrictions relating to personal financial interests, such as those that apply to Federal employees.

(b) DEFINITION.—In this section:

(1) GOVERNMENT CONTRACTOR.—The term "Government contractor" means any person (other than a Federal agency) with which a Federal agency has entered into a contract to acquire goods or services.

(2) FEDERAL AGENCY.—The term "Federal agency" means—

(A) any executive department or independent establishment in the executive branch of the Government, including any wholly owned Government corporation; and

(B) any establishment in the legislative or judicial branch of the Government (except the Senate, the House of Representatives, and the Architect of the Capitol and any activities under the Architect's direction).

(3) FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTER.—The term "federally funded research and development center" means a federally funded research and development center as identified by the National Science Foundation in accordance with the Federal Acquisition Regulation.

Subtitle D—Contracts Relating to Iraq and Afghanistan

SEC. 831. MEMORANDUM OF UNDERSTANDING ON MATTERS RELATING TO CONTRACTING.

(a) MEMORANDUM OF UNDERSTANDING REQUIRED.—The Secretary of Defense, the Secretary of State, and the Administrator of the United States Agency for International Development shall enter into a memorandum of understanding regarding matters relating to contracting for contracts in Iraq or Afghanistan.

(b) RESTRICTIONS ON CONTRACTING UNTIL MEMORANDUM SIGNED.—

(1) RESTRICTION.—Except as provided in paragraph (2), on and after January 1, 2008, no contracts

in Iraq or Afghanistan may be awarded by the Department of Defense, the Department of State, or the United States Agency for International Development (A) unless the memorandum required by subsection (a) has been signed by the Secretary of Defense, the Secretary of State, or the Administrator of the United States Agency for International Development, respectively; and (B) the department or agency concerned has initiated use of the common database identified in such memorandum to track contracts in Iraq or Afghanistan.

(2) WAIVER.—

(A) The restriction in paragraph (1) may be waived by the President for a period of 30 days if the President submits to the relevant committees of Congress a notification of the waiver and the reasons for the waiver at least 15 days before issuing the waiver.

(B) Such waiver may be renewed for any number of additional 30-day periods if the President submits to the relevant committees of Congress a notification of the renewal of the waiver and the reasons for renewing the waiver at least 15 days before issuing the renewal of the waiver.

(c) MATTERS COVERED.—The memorandum of understanding required by subsection (a) shall address, at a minimum, the following:

(1) Identification of the major categories of contracts in Iraq or Afghanistan being awarded by the Department of Defense, the Department of State, or the United States Agency for International Development.

(2) Identification of the roles and responsibilities of each department or agency for matters relating to contracting for contracts in Iraq or Afghanistan.

(3) Responsibility for authorizing the carrying of weapons in performance of such contracts.

(4) Responsibility for establishing minimum qualifications, including background checks, for personnel carrying weapons in performance of such contracts.

(5) Responsibility for setting rules of engagement for personnel carrying weapons in performance of such contracts.

(6) Responsibility for establishing procedures for, and the coordination of, movement of contractor personnel in Iraq or Afghanistan.

(7) Identification of a common database that will serve as a repository of information on all con-

tracts in Iraq or Afghanistan, and agreement on the elements to be included in the database, including, at a minimum, with respect to each contract—

(A) a brief description of the contract;

(B) the value of the contract;

(C) the amount of cost ascribed to overhead for the contract;

(D) the amount of cost ascribed to security for the contract;

(E) the total number of personnel employed on the contract; and

(F) the total number of personnel employed on the contract who provide security in Iraq or Afghanistan.

(8) Responsibility for maintaining and updating information in the common database identified under paragraph (7).

(9) Responsibility for the collection and referral to the appropriate Government agency of any information relating to offenses under chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), or chapter 212 of title 18, United States Code (commonly referred to as the Military Extraterritorial Jurisdiction Act).

(d) COPIES PROVIDED TO CONGRESS.—Copies of the memorandum of understanding required by subsection (a) shall be provided to the relevant committees of Congress within 30 days after the memorandum is signed.

SEC. 832. COMPTROLLER GENERAL REVIEWS AND REPORTS ON CONTRACTING IN IRAQ AND AFGHANISTAN.

(a) REVIEWS AND REPORTS REQUIRED.—

(1) IN GENERAL.—Every six months, the Comptroller General shall review contracts in Iraq or Afghanistan and submit to the relevant committees of Congress a report on such review.

(2) MATTERS COVERED.—A report under this subsection shall cover the following with respect to the contracts in Iraq or Afghanistan reviewed for the report:

(A) Total number of contracts awarded during the period covered by the report.

(B) Total number of active contracts.

(C) Total value of all contracts awarded during the reporting period.

(D) Total value of active contracts.

(E) Total number of contractor personnel working on contracts during the reporting period.

(F) Total number of contractor personnel who have provided security in Iraq or Afghanistan for contracts during the reporting period.

(G) Categories of activities undertaken in reviewed contracts.

(H) The extent to which such contracts have used competitive procedures.

(I) The extent to which such contracts have achieved the initial scope of requirements included in the contracts.

(J) The effect of costs for security on such contracts and whether contracting for security on such contracts rather than government-provided security is more effective, efficient, and consistent with the United States policy goals.

(K) Information on any specific contract or class of contracts that the Comptroller General determines raises issues of significant concern.

(3) SUBMISSION OF REPORTS.—The Comptroller General shall submit an initial report under this subsection not later than March 1, 2008, and shall submit an updated report every six months thereafter until March 1, 2010.

(b) ACCESS TO DATABASE ON CONTRACTS.—The Secretary of Defense and the Secretary of State shall provide

full access to the database described in section 831(c)(7) to the Comptroller General for purposes of the reviews carried out under this section.

SEC. 833. DEFINITIONS.

In this subtitle:

(1) MATTERS RELATING TO CONTRACTING.—The term "matters relating to contracting", with respect to contracts in Iraq and Afghanistan, means all matters relating to awarding, funding, managing, tracking, monitoring, and providing oversight to contracts and contractor personnel.

(2) CONTRACTS IN IRAQ OR AFGHANISTAN.—The term "contracts in Iraq and Afghanistan" means a contract with the Department of Defense, the Department of State, or the United States Agency for International Development, a subcontract at any tier issued under such a contract, or a task order at any tier issued under such a contract (including a contract, subcontract, or task order issued by another Government agency for the Department of Defense, the Department of State, or the United States Agency for International Development), if the contract, subcontract, or task order involves worked performed in Iraq or Afghanistan for a period longer than 14 days.

(3) RELEVANT COMMITTEES OF CONGRESS.—The term "relevant committees of Congress" means each of the following committees:

(A) The Committees on Armed Services of the Senate and the House of Representatives.

(B) The Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Oversight and Government Reform of the House of Representatives.

(C) The Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.

SEC. 834. COMPETITION FOR EQUIPMENT SUPPLIED TO IRAQ AND AFGHANISTAN.

(a) COMPETITION REQUIREMENT.—For the procurement of pistols and other weapons described in subsection (b), the Secretary of Defense shall ensure, consistent with the provisions of section 2304 of title 10, United States Code, that—

(1) full and open competition is obtained to the maximum extent practicable;

(2) no responsible United States manufacturer is excluded from competing for such procurements; and

(3) products manufactured in the United States are not excluded from the competition.

(b) PROCUREMENTS COVERED.—This section applies to the procurement of the following:

(1) Pistols and other weapons less than 0.50 caliber for assistance to the Army of Iraq, the Iraqi Police Forces, and other Iraqi security organizations.

(2) Pistols and other weapons less than 0.50 caliber for assistance to the Army of Afghanistan, the Afghani Police Forces, and other Afghani security organizations.

Subtitle E—Other Matters

SEC. 841. RAPID COMMERCIAL INFORMATION TECHNOLOGY IDENTIFICATION DEMONSTRATION PROJECT.

(a) DEMONSTRATION PROJECT.—The Secretary of Defense, acting through the Assistant Secretary of Defense for Networks and Information Integration, shall establish a demonstration project to develop, implement, and assess the effectiveness of a comprehensive approach to identifying, assessing, stimulating investment in, rapidly acquiring, and coordinating the use of commercial information technologies (with an emphasis on commercial off-the-shelf information technologies). The demonstration project shall be known as the "Rapid Commercial Information Technology Identification Demonstration Pilot."

(b) MATTERS COVERED.—The demonstration project shall include the following:

(1) Developing a process to rapidly assess and set priorities for significant needs of the Department of Defense that could be met by commercial information technology, including a process for—

(A) aligning needs with the requirements of the combatant commanders; and

(B) evaluating commercial products of interest against those needs.

(2) Providing for the hiring and support of employees (including the ability to request detailees from other military or Federal organizations) who can identify and assess promising commercial information technologies and serve as intermediaries to the Department.

(3) Enhancing internal Department data and communications about promising or existing commercial information technology or federally funded information technologies projects.

(4) Identifying key commercial information technologies and using existing mechanisms to make them available to the Armed Forces.

(5) Developing and operating a suitable Web portal or other significant virtual environment to facilitate communications with industry.

(6) Providing for acquisition guides for small information technology companies with promising technologies, to help them understand and navigate the funding and acquisition processes of the Department of Defense.

(7) Developing methods to measure program performance and collecting data on an ongoing basis to assess the effects of the process being used by the demonstration program.

(c) PERIOD OF DEMONSTRATION PROJECT.—The demonstration project shall be conducted for a period of three years.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Defense $10,000,000 for fiscal year 2008 to carry out the demonstration project under this section, to be derived from amounts provided in section 201(4) for research, development, test, and evaluation, Defense-wide activities.

(e) REPORT TO CONGRESS.—Not later than 12 months after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the implementation of the demonstration project required under this section.

SEC. 842. REPORT TO CONGRESS REQUIRED ON DELAYS IN MAJOR PHASES OF ACQUISITION PROCESS FOR MAJOR AUTOMATED INFORMATION SYSTEM PROGRAMS.

(a) REPORT REQUIRED FOR CERTAIN DELAYS.—In the case of any major automated information system program, if there is a delay in meeting any deadline for a phase of the acquisition process for the program specified in subsection (b), the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall submit to the congressional defense committees a report on the delay. The report shall be submitted not later than 30 days after the delay occurs.

(b) DEADLINES.—The deadlines for a phase of the acquisition process referred to in subsection (a) are the following:

(1) With respect to approval of any analysis of alternatives, within one year from the date each analysis began.

(2) With respect to achieving Milestone B in accordance with section 2366a of title 10, United States Code, within 18 months after the date of Milestone A approval.

(3) With respect to completion of any capability development document, within six months from the time of determined need to the time of approval.

(c) MATTERS COVERED BY REPORT.—The report required by subsection (a)—

(1) shall set forth the reason or reasons the Department of Defense was unable to complete the delayed process or processes on time; and

(2) shall include a written certification with a supporting explanation stating that—

(A) the program is necessary for the efficient management of the Department; and

(B) the most current estimates of the costs, schedule, and performance parameters with respect to the program and system are reasonable; and the management structure for the program is adequate to manage and control program costs.

SEC. 843. REQUIREMENT FOR LICENSING OF CERTAIN MILITARY DESIGNATIONS AND LIKENESSES OF WEAPONS SYSTEMS TO TOY AND HOBBY MANUFACTURERS.

(a) REQUIREMENT TO LICENSE CERTAIN ITEMS.—Section 2260 of title 10, United States Code, is amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively; and

(2) by adding after subsection (b) the following new subsection:

"(c) REQUIRED LICENSES.—(1) The Secretary concerned shall license trademarks, service marks, certification marks, and collective marks relating to military designations and likenesses of military weapons systems to any qualifying company upon receipt of a request from the company.

"(2) For purposes of paragraph (1), a qualifying company is any United States company that is a small business concern and that—

"(A) is a toy or hobby manufacturer, distributor, or merchant; and

"(B) is determined by the Secretary concerned to be qualified in accordance with such criteria as may be prescribed by the Secretary of Defense.

"(3) The fee for a license under this subsection shall be determined under regulations prescribed by the Secretary of Defense. Any such fee shall be nominal and shall be an amount not less than an amount needed to recover all costs of the Department of Defense in processing the request for the license and supplying the license.

"(4) A license under this subsection shall not be an exclusive license.".

(b) EFFECTIVE DATE.—The Secretary of Defense shall prescribe regulations to implement the amendment made by

this section not later than 180 days after the date of the enactment of this Act.

SEC. 844. CHANGE IN GROUNDS FOR WAIVER OF LIMITATION ON SERVICE CONTRACT TO ACQUIRE MILITARY FLIGHT SIMULATOR.

Section 832(b)(1) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2331) is amended by striking "necessary for national security purposes" and inserting "in the national interest".

SEC. 845. EVALUATION OF COST OF COMPLIANCE WITH REQUIREMENT TO BUY CERTAIN ARTICLES FROM AMERICAN SOURCES.

(a) EXCLUSION FROM PRICE OR COST COMPARISON .—For all Department of Defense prime contract awards and subcontract awards at any tier, in the event that a price or cost comparison is made as part of an evaluation of offers for goods or services provided by a United States firm and by a foreign source benefitting from the exception provided in section 2533a(e)(1)(B) or 2533b(d)(1)(B) of title 10, United States Code, the cost of compliance described in subsection (c) shall not be considered in such an evaluation.

(b) INCLUSION IN EVALUATION OF OFFERS.—The cost of compliance shall be considered in the evaluation of offers

provided by United States firms and by foreign sources submitting compliant offers.

(c) COST OF COMPLIANCE.—The cost of compliance described in this subsection is the cost of compliance for a United States firm to procure items grown, reprocessed, reused, or produced in the United States, in accordance with section 2533a of title 10, United States Code, or to procure specialty metals melted or produced in the United States, in accordance with section 2533b of such title 10.

SEC. 846. REQUIREMENTS RELATING TO WAIVERS OF CERTAIN DOMESTIC SOURCE LIMITATIONS.

(a) MULTI-CONTRACT AND CLASS WAIVERS.—A domestic non-availability determination pursuant to section 2533b(b) of title 10, United States Code, that would apply to more than one prime contract of the Department of Defense shall be made only if the determination—

(1) has been proposed and finalized under a formal rulemaking;

(2) specifies that the determination will expire 30 days after the Secretary concerned finds that the determination is no longer justified; and

(3) requires an accounting of all end items, components, or specialty metals that do not comply with the requirement in section 2533b(a) of such title.

(b) SINGLE CONTRACT WAIVERS.—In making a domestic non-availability determination pursuant to 2533b(b) of such title that applies to a single prime contract of the Department of Defense, the Secretary concerned shall ensure, after making the determination, that—

(1) the information used as justification in making the determination is made publicly available to the maximum extent practicable; and

(2) the contracting officer for the contract concerned receives an accounting of all end items, components, or specialty metals that do not comply with the requirement in section 2533b (a) of such title.

(c) SPECIALTY METAL DEFINED.—In this section, the term "specialty metal" has the meaning provided in section 2533b(I) of title 10, United States Code.

(d) EFFECTIVE DATE.—This section shall be effective as of February 1, 2007.

SEC. 847. MULTIPLE COST THRESHOLD BREACHES.

(a) EVALUATION OF COST THRESHOLD BREACHES.—Within 30 days following the end of a fiscal year, each component of the Department of Defense shall evaluate, for the preceding fiscal year—

(1) the number of acquisition programs within the component that experienced significant and crit-

ical cost threshold breaches, as defined in section 2433 of title 10, United States Code; and

(2) the number of technology development programs within the component that, prior to a Milestone B decision, required recertification by the Joint Requirements Oversight Council.

(b) IDENTIFICATION AND REPORT ON SYSTEMIC DEFICIENCIES.—Within 90 days following the end of a fiscal year, each component of the Department of Defense that has identified more than two such programs under subsection (a), shall identify systemic deficiencies in its acquisition policies or practices that may have contributed to the cost growth in such programs and provide a report to the Secretary of Defense outlining corrective actions to be taken.

(c) ASSESSMENT OF CORRECTIVE ACTIONS.—Within 120 days following the end of a fiscal year, the Secretary of Defense shall provide an assessment of the adequacy of such corrective actions, along with the details of the deficiencies leading to such cost growth, to the congressional defense committees.

(d) DEFINITION OF COMPONENT.—In this section, the term "component" means a military department, a combatant command, a Defense Agency, and any part of the Office of the Secretary of Defense that manages a major defense acquisition program.

SEC. 848. PHONE CARDS.

(a) COMPETITIVE PROCEDURES REQUIRED.—When the Secretary of Defense considers it necessary to provide morale, welfare, and recreation telephone services for military personnel serving in combat zones, he shall use competitive procedures when entering into a contract to provide those services. In evaluating contract proposals for such services, the Secretary shall require bid proposals to include options that minimize the cost of the phone services to individual users while providing individual users the flexibility of using phone cards from other than the bidding entity.

(b) EFFECTIVE DATE.—This section shall apply to any new contract to provide morale welfare and recreation phone services in a combat theater that is entered into after the date of enactment of this Act. With regard to the extension of any contract to provide such services that is in existence on such date of enactment, the Secretary shall examine with the contractor whether it is possible to further reduce the cost of the services to the soldier by allowing the use of phone cards other than the contractor's. The Secretary shall submit the results of his review to the Committees on Armed Services of the Senate and the House of Representatives.

SEC. 849. JURISDICTION UNDER CONTRACT DISPUTES ACT OF 1978 OVER CLAIMS, DISPUTES, AND APPEALS ARISING OUT OF MARITIME CONTRACTS.

Section 4 of the Contract Disputes Act of 1978 (41 U.S.C. 603) is amended by striking "of maritime contracts," and all that follows through the end of the section and inserting "of maritime contracts, shall be governed exclusively by this Act."

SEC. 850. CLARIFICATION OF JURISDICTION OF THE UNITED STATES DISTRICT COURTS TO HEAR BID PROTEST DISPUTES INVOLVING MARITIME CONTRACTS.

Section 1491 of title 28, United States Code, is amended by adding at the end the following:

"(d) Jurisdiction over any actions described under subsection (b)(1) of this section arising out of a maritime contract (as that term is used in the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.)) or a proposed maritime contract shall be governed by this section, and shall not be subject to the jurisdiction of the district courts of the United States under chapter 309 of title 46, popularly known as the Suits in Admiralty Act, or chapter 311 of title 46, popularly known as the Public Vessels Act.".

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Department of Defense Management

Sec. 901. Additional requirements relating to limitation on major Department of Defense headquarters activities personnel.
Sec. 902. Flexibility to adjust the number of deputy chiefs and assistant chiefs.
Sec. 903. Change in eligibility requirements for appointment to Department of Defense leadership positions.
Sec. 904. Revisions in functions and activities of special operations command.
Sec. 905. Redesignation of the Department of the Navy as the Department of the Navy and Marine Corps.
Sec. 906. Management system of the Department of Defense.
Sec. 907. Acquisition parity for Special Operations Command.
Sec. 908. Department of Defense Board of Actuaries.

Subtitle B—Space Activities

Sec. 911. Space protection policy and strategy.
Sec. 912. Biennial report on management of space cadre within the Department of Defense.

Subtitle C—Chemical Demilitarization Program

Sec. 921. Chemical demilitarization citizens advisory commissions.
Sec. 922. Sense of Congress on completion of destruction of United States chemical weapons stockpile.

Subtitle D—Intelligence-Related Matters

Sec. 931. Reports on foreign language proficiency.
Sec. 932. Technical amendments to title 10, United States Code, arising from enactment of the Intelligence Reform and Terrorism Prevention Act of 2004.

Subtitle E—Roles and Missions Analysis

Sec. 941. Analysis and organization of roles and missions of Department of Defense.
Sec. 942. Identification of core competencies of the military departments and other entities within the Department of Defense.
Sec. 943. Review of capabilities of the military departments and other entities.
Sec. 944. Joint Requirements Oversight Council additional duties relating to core mission areas.
Sec. 945. Requirement for certification of major systems prior to technology development.
Sec. 946. Presentation of future-years mission budget by core mission area.
Sec. 947. Future capability planning by Joint Requirements Oversight Council.

Subtitle F—Other Matters

Sec. 951. Department of Defense consideration of effect of climate change on Department facilities, capabilities, and missions.

Sec. 952. Interagency policy coordination.
Sec. 953. Expansion of employment creditable under service agreements under National Security Education Program.
Sec. 954. Study of national security interagency system.

Subtitle A—Department of Defense Management

SEC. 901. ADDITIONAL REQUIREMENTS RELATING TO LIMITATION ON MAJOR DEPARTMENT OF DEFENSE HEADQUARTERS ACTIVITIES PERSONNEL.

Section 130a of title 10, United States Code, is amended—

(1) in subsection (c)(2), by striking "may not be changed except as provided by law." and inserting "may be changed only if the Secretary of Defense submits proposed changes to Congress with the defense budget materials. Any such submitted changes shall take effect on the January 1 following the submission."; and

(2) by adding at the end the following new subsections:

"(e) FLEXIBILITY IN ORDER TO ACHIEVE COST SAVINGS OR ELIMINATE CONTRACTS ASSOCIATED WITH INHERENTLY GOVERNMENTAL FUNCTIONS.—(1) If the Secretary of a military department or the commander of a combatant command certifies to the Secretary of Defense that a waiver of the limitation in subsection (a) or a re-

allocation among the military departments or combatant commands of the number of personnel permissible under subsection (a) either is expected to result in a cost savings or is necessary to eliminate a contract associated with an inherently governmental function (including cost savings or the elimination of a contract resulting from guidelines and procedures prescribed pursuant to section 343 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163)), the Secretary of Defense shall waive such limitation or make such reallocation to the extent necessary to achieve the cost savings or to eliminate the contract.

"(2) The Secretary of Defense shall include a report, with the defense budget materials for a fiscal year, outlining the uses of the waiver or reallocation authority provided in paragraph (1) during the preceding fiscal year, including the number of times the waiver or reallocation authority was used, the purposes for which it was used, expected cost savings, if any, and the number of personnel affected.

"(f) DEFENSE BUDGET MATERIALS.—In this section, the term 'defense budget materials', with respect to a fiscal year, means the materials submitted to Congress by the Secretary of Defense in support of the budget for that fiscal year that is submitted to Congress by the President under section 1105(a) of title 31.".

SEC. 902. FLEXIBILITY TO ADJUST THE NUMBER OF DEPUTY CHIEFS AND ASSISTANT CHIEFS.

(a) ARMY.—Section 3035(b) of title 10, United States Code, is amended to read as follows:

"(b) The Secretary of the Army shall prescribe the number of Deputy Chiefs of Staff and Assistant Chiefs of Staff, for a total of not more than eight positions.".

(b) NAVY.—

(1) DEPUTY CHIEFS OF NAVAL OPERATIONS.—Section 5036(a) of title 10, United States Code, is amended—

(A) by striking "There are in the Office of the Chief of Naval Operations not more than five Deputy Chiefs of Naval Operations," and inserting "There are Deputy Chiefs of Naval Operations in the Office of the Chief of Naval Operations," ; and

(B) by adding at the end the following: "The Secretary of the Navy shall prescribe the number of Deputy Chiefs of Naval Operations under this section and Assistant Chiefs of Naval Operations under section 5037 of this title, for a total of not more than eight positions.".

(2) ASSISTANT CHIEFS OF NAVAL OPERATIONS.—Section 5037(a) of such title is amended—

(A) by striking "There are in the Office of the Chief of Naval Operations not more than three Assistant Chiefs of Naval Operations," and inserting "There are Assistant Chiefs of Naval Operations in the Office of the Chief of Naval Operations,"; and

(B) by adding at the end the following: "The Secretary of the Navy shall prescribe the number of Assistant Chiefs of Naval Operations in accordance with section 5036(a) of this title.".

(c) AIR FORCE.—Section 8035(b) of title 10, United States Code, is amended to read as follows:

"(b) The Secretary of the Air Force shall prescribe the number of Deputy Chiefs of Staff and Assistant Chiefs of Staff, for a total of not more than eight positions.".

SEC. 903. CHANGE IN ELIGIBILITY REQUIREMENTS FOR APPOINTMENT TO DEPARTMENT OF DEFENSE LEADERSHIP POSITIONS.

(a) SECRETARY OF DEFENSE.—Section 113(a) of title 10, United States Code, is amended by striking "10" and inserting "five".

(b) DEPUTY SECRETARY OF DEFENSE.—Section 132(a) of such title is amended by striking "ten" and inserting "five".

(c) UNDER SECRETARY OF DEFENSE FOR POLICY.—Section 134(a) of such title is amended by striking "10" and inserting "five".

SEC. 904. REVISIONS IN FUNCTIONS AND ACTIVITIES OF SPECIAL OPERATIONS COMMAND.

(a) ADDITIONAL PRINCIPAL FUNCTION.—Section 167(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" before "With the advice"; and

(2) by striking the sentence beginning with "The principal function" and inserting the following new paragraph:

"(2) The principal functions of the command are—

"(A) to prepare special operations forces to carry out assigned missions; and

"(B) if directed by the President or the Secretary of Defense, to plan, synchronize, and carry out global missions against terrorists.".

(b) REPORT REQUIREMENTS.—

(1) REPORT ON UNCONVENTIONAL WARFARE.—Not later than March 1, 2008, the Secretary of Defense shall submit to the congressional defense committees a report containing a plan to meet the future requirements of unconventional warfare.

(2) ANNUAL REPORT ON PERSONNEL MANAGEMENT.—Not later than March 1, 2008, and not later than September 1 each year thereafter, the Secretary of Defense shall submit to the congressional defense committees a report on the adequacy of Department of Defense personnel management programs to meet the needs of the special operations command.

(c) ADDITIONAL SPECIAL OPERATIONS ACTIVITIES.—Subsection (j) of section 167 of such title is amended to read as follows:

"(j) SPECIAL OPERATIONS ACTIVITIES.—For purposes of this section, special operations activities include each of the following insofar as it relates to special operations:

"(1) Unconventional warfare.

"(2) Counterterrorism.

"(3) Counterinsurgency.

"(4) Counterproliferation of weapons of mass destruction.

"(5) Direct action.

"(6) Strategic reconnaissance.

"(7) Foreign internal defense.

"(8) Civil-military operations.

"(9) Psychological and information operations.

"(10) Humanitarian assistance.

"(11) Theater search and rescue.

"(12) Such other activities as may be specified by the President or the Secretary of Defense.".

SEC. 905. REDESIGNATION OF THE DEPARTMENT OF THE NAVY AS THE DEPARTMENT OF THE NAVY AND MARINE CORPS.

(a) REDESIGNATION OF MILITARY DEPARTMENT.—The military department designated as the Department of the Navy is redesignated as the Department of the Navy and Marine Corps.

(b) REDESIGNATION OF SECRETARY AND OTHER STATUTORY OFFICES.—

(1) SECRETARY.—The position of the Secretary of the Navy is redesignated as the Secretary of the Navy and Marine Corps.

(2) OTHER STATUTORY OFFICES.—The positions of the Under Secretary of the Navy, the four Assistant Secretaries of the Navy, and the General Counsel of the Department of the Navy are redesignated as the Under Secretary of the Navy and Marine Corps, the Assistant Secretaries of the Navy and Marine Corps, and the General Counsel of the Department of the Navy and Marine Corps, respectively.

(c) CONFORMING AMENDMENTS TO TITLE 10, UNITED STATES CODE.—

(1) DEFINITION OF "MILITARY DEPARTMENT".—Paragraph (8) of section 101(a) of title 10, United States Code, is amended to read as follows:

"(8) The term 'military department' means the Department of the Army, the Department of the Navy and Marine Corps, and the Department of the Air Force.".

(2) ORGANIZATION OF DEPARTMENT.—The text of section 5011 of such title is amended to read as follows: "The Department of the Navy and Marine Corps is separately organized under the Secretary of the Navy and Marine Corps.".

(3) POSITION OF SECRETARY.—Section 5013(a)(1) of such title is amended by striking "There is a Secretary of the Navy" and inserting "There is a Secretary of the Navy and Marine Corps".

(4) CHAPTER HEADINGS.—

(A) The heading of chapter 503 of such title is amended to read as follows:

"CHAPTER 503—DEPARTMENT OF THE NAVY AND MARINE CORPS".

(B) The heading of chapter 507 of such title is amended to read as follows:

"CHAPTER 507—COMPOSITION OF THE DEPARTMENT OF THE NAVY AND MARINE CORPS".

(5) OTHER AMENDMENTS.—

(A) Title 10, United States Code, is amended by striking "Department of the Navy" and "Secretary of the Navy" each place they appear other than as specified in paragraphs (1), (2), (3), and (4) (including in section headings, subsection captions, tables of chapters, and tables of sections) and inserting "Department of the Navy and Marine Corps" and "Secretary of the Navy and Marine Corps", respectively, in each case with the matter inserted to be in the same typeface and typestyle as the matter stricken.

(B)(i) Sections 5013(f), 5014(b)(2), 5016(a), 5017(2), 5032(a), and 5042(a) of such title are amended by striking "Assistant Secretaries of the Navy" and inserting "Assistant Secretaries of the Navy and Marine Corps".

(ii) The heading of section 5016 of such title, and the item relating to such section in the table of sections at the beginning of chapter 503 of such title, are each amended by inserting "and Marine Corps" after "of the Navy", with the

matter inserted in each case to be in the same typeface and typestyle as the matter amended.

(d) TITLE 37, UNITED STATES CODE.—Title 37, United States Code, is amended by striking "Department of the Navy" and "Secretary of the Navy" each place they appear and inserting "Department of the Navy and Marine Corps" and "Secretary of the Navy and Marine Corps", respectively.

(e) OTHER REFERENCES.—Any reference in any law other than in title 10 or title 37, United States Code, or in any regulation, document, record, or other paper of the United States, to the Department of the Navy shall be considered to be a reference to the Department of the Navy and Marine Corps. Any such reference to an office specified in subsection (b)(2) shall be considered to be a reference to that office as redesignated by that subsection.

(f) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the first day of the first month beginning more than 60 days after the date of the enactment of this Act.

SEC. 906. MANAGEMENT SYSTEM OF THE DEPARTMENT OF DEFENSE.

(a) DUTIES RELATING TO MANAGEMENT OF THE DEPARTMENT OF DEFENSE.—The Secretary of Defense shall assign duties relating to strategic level oversight of all sig-

nificant management issues of the Department of Defense to a senior official of a rank not lower than an Under Secretary of Defense.

(b) MANAGEMENT SYSTEM.—The Secretary of Defense shall adopt a management structure for the Department of Defense, including business support areas, which shall define roles, processes, and accountability for achieving the essential management goals of the Department of Defense

(c) ESSENTIAL MANAGEMENT GOALS.—The Secretary of Defense shall establish essential management goals of the Department of Defense, including at a minimum, the following:

(1) A comprehensive business transformation plan, with measurable performance goals and objectives, to achieve an integrated management system for business support areas of the Department of Defense.

(2) A well-defined enterprise-wide business systems architecture capable of providing accurate and timely information in support of major investment decisions.

(3) Financial statements for all elements of the Department of Defense that receive clean audit opinions during independent financial audits.

(d) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall

provide to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the implementation of this section. Matters covered in the report shall include the following:

(1) The assignment of duties relating to management as required by subsection (a).

(2) Progress toward implementing a management structure for the Department of Defense as required by subsection (b).

(3) A description of the essential management goals of the Department of Defense established pursuant to subsection (c).

(4) A description of Department of Defense efforts to achieve its essential management goals as described pursuant to paragraph (3).

SEC. 907. ACQUISITION PARITY FOR SPECIAL OPERATIONS COMMAND.

(a) REVISION IN GUIDANCE REGARDING EXERCISE OF ACQUISITION AUTHORITY BY COMMANDERS OF COMBATANT COMMANDS.—Subparagraph (B) of section 905(b)(1) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2353) is amended by striking "and mutually supportive of" .

(b) REVISION IN CONSULTATION REQUIREMENT.—Section 905(c) of such Act is amended by striking "and the

heads of Defense agencies referred to in that subsection" and inserting the following: ", and ensure that the use of the acquisition authority by the heads of Defense Agencies referred to in that subsection is mutually supportive of acquisition programs of the military departments".

SEC. 908. DEPARTMENT OF DEFENSE BOARD OF ACTUARIES.

(a) ESTABLISHMENT.—There is established in the Department of Defense a Department of Defense Board of Actuaries (hereinafter in this section referred to as the "Board").

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Board shall consist of three members who shall be appointed by the President from among qualified professional actuaries who are members of the Society of Actuaries.

(2) TERMS.—(A) Except as provided in subparagraph (B), the members of the Board shall serve for a term of 15 years, except that a member of the Board appointed to fill a vacancy occurring before the end of the term for which his predecessor was appointed shall serve only until the end of such term. A member may serve after the end of his term until his successor has taken office. A member of the Board may be removed by the President.

(B) The three current members of the Department of Defense Retirement Board of Actuaries and the Department of Defense Education Benefits Board of Actuaries shall serve the remainder of their existing terms as members of the Board pursuant to subparagraph (A).

(C) A member of the Board who is not otherwise an employee of the United States is entitled to receive pay at the daily equivalent of the annual rate of basic pay of the highest rate of basic pay then currently being paid under the General Schedule of subchapter III of chapter 53 of title 5, United States Code, for each day the member is engaged in the performance of duties vested in the Board and is entitled to travel expenses, including a per diem allowance, in accordance with section 5703 of title 5.

(c) REPORT.—The Board shall report to the Secretary of Defense annually on the actuarial status of the Department of Defense Military Retirement Fund established by section 1461 of title 10, United States Code, and the Department of Defense Education Benefits Fund established by section 2006 of title 10, and shall furnish its advice and opinion on matters referred to it by the Secretary.

(d) RECORDS.—The Secretary shall keep, or cause to be kept, such records as necessary for determining the actuarial status of the Funds.

(e) DOD EDUCATION BENEFITS FUND.—The Board shall review valuations of the Department of Defense Education Benefits Fund under section 2006(f) of title 10, United States Code, and shall recommend to the President and thereafter to Congress such changes as in the Board's judgment are appropriate and necessary to protect the public interest and maintain the Department of Defense Education Benefits Fund on a sound actuarial basis.

(f) DOD MILITARY RETIREMENT FUND.—The Board shall review valuations of the Department of Defense Military Retirement Fund under section 1465(c) of title 10, United States Code, and shall report periodically, not less than once every four years, to the President and thereafter to Congress on the status of the Department of Defense Military Retirement Fund. The Board shall include in such report recommendations for such changes as in the Board's judgment are appropriate and necessary to protect the public interest and maintain the Department of Defense Military Retirement Fund on a sound actuarial basis.

(g) REPEAL OF SUPERSEDED PROVISIONS.—(1) Section 1464 of title 10, United States Code, is repealed.

(2) Section 2006 of title 10 is amended by striking subsection (e).

(h) CONFORMING AMENDMENTS.—

(1) The table of sections at the beginning of chapter 74 of title 10, United States Code, is amended by striking the item relating to section 1464.

(2) Section 1175(h)(4) of such title is amended by striking "Retirement" the first place it appears.

(3) Section 1460(b) of such title is amended by striking "Retirement".

(4) Section 1466(c)(3) of such title is amended by striking "Retirement".

(5) Section 12521(6) of such title is amended by striking "Department of Defense Education Benefits Board of Actuaries referred to in section 2006(e)(1) of this title" and inserting "Department of Defense Board of Actuaries".

Subtitle B—Space Activities

SEC. 911. SPACE PROTECTION POLICY AND STRATEGY.

(a) POLICY.—It is the policy of the United States that the Secretary of Defense accord, after the date of the enactment of this Act, a greater priority within the Nation's space programs to the protection of national security space systems than the Secretary has accorded before the date of the enactment of this Act.

(b) STRATEGY.—The Secretary of Defense shall develop a strategy, to be known as the Space Protection Strategy, for the development and fielding by the United States of the space capabilities that are necessary to ensure freedom of action in space for the United States.

(c) MATTERS INCLUDED.—The strategy required by subsection (b) shall include each of the following:

(1) An identification of the threats to, and the vulnerabilities of, the national security space systems of the United States.

(2) A description of the systems currently contained in the program of record of the Department of Defense that provide space capabilities.

(3) For each period covered by the strategy, a description of the space capabilities that are needed for the period, and the space capabilities that are desired for the period, including—

(A) the hardware, software, and other materials or services to be developed or procured;

(B) the management and organizational changes to be achieved; and

(C) concepts of operations, tactics, techniques, and procedures to be employed.

(4) For each period covered by the strategy, an assessment of the gaps and shortfalls between the

space capabilities that are needed for the period (and the space capabilities that are desired for the period) and the space capabilities currently contained in the program of record.

(5) For each period covered by the strategy, a comprehensive plan for investment in space capabilities that identifies specific program and technology investments to be made in that period.

(6) A description of the current processes by which the requirements of the Department of Defense for space systems protection are addressed in space acquisition programs and during key milestone decisions, an assessment of the adequacy of those processes, and an identification of the actions of the Department for addressing any inadequacies in those processes.

(7) A description of the current processes by which the Department of Defense program and budget for space systems protection capabilities (including capabilities that are incorporated into single programs and capabilities that span multiple programs), an assessment of the adequacy of those processes, and an identification of the actions of the Department for addressing any inadequacies in those processes.

(8) A description of the organizational and management structure of the Department of Defense for addressing policy, planning, acquisition, and operations with respect to space capabilities, a description of the roles and responsibilities of each organization, and an identification of the actions of the Department for addressing any inadequacies in that structure.

(d) PERIODS COVERED.—The strategy required by subsection (b) shall cover the following periods:

(1) Fiscal years 2008 through 2013.

(2) Fiscal years 2014 through 2019.

(3) Fiscal years 2020 through 2025.

(e) SPACE CAPABILITIES DEFINED.—In this section, the term "space capabilities" means capabilities, consistent with international law and treaties, for space situational awareness and for space systems protection.

(f) REPORT; BIENNIAL UPDATE.—

(1) REPORT.—Not later than March 15, 2008, the Secretary of Defense shall submit to the congressional defense committees a report on the strategy required by subsection (b), including each of the matters required by subsection (c).

(2) BIENNIAL UPDATE.—Not later than March 15 of each even-numbered year after 2008, the Sec-

retary shall submit to the committees referred to in paragraph (1) an update to the report required by paragraph (1).

(3) CLASSIFICATION.—The report required by paragraph (1), and each update required by paragraph (2), shall be in unclassified form, but may include a classified annex.

(g) CONFORMING REPEAL.—Section 911 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163; 119 Stat. 3405; 10 U.S.C. 2271 note) is repealed.

SEC. 912. BIENNIAL REPORT ON MANAGEMENT OF SPACE CADRE WITHIN THE DEPARTMENT OF DEFENSE.

(a) IN GENERAL.—Chapter 23 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 490. Space cadre management: biennial report

"(a) REQUIREMENT.—The Secretary of Defense and each Secretary of a military department shall develop metrics and use these metrics to identify, track, and manage space cadre personnel within the Department of Defense to ensure the Department has sufficient numbers of personnel with the expertise, training, and experience to meet current and future national security space needs.

"(b) BIENNIAL REPORT REQUIRED.—

"(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this section, and every even-numbered year thereafter, the Secretary of Defense shall submit to the congressional defense committees a report on the management of the space cadre.

"(2) MATTERS INCLUDED.—The report required by paragraph (1) shall include—

"(A) the number of active duty, reserve duty, and government civilian space-coded billets that—

"(i) are authorized or permitted to be maintained for each military department and defense agency;

"(ii) are needed or required for each military department and defense agency for the year in which the submission of the report is required; and

"(iii) are needed or required for each military department and defense agency for each of the five years following the date of the submission of the report;

"(B) the actual number of active duty, reserve duty, and government civilian personnel

that are coded or classified as space cadre personnel within the Department of Defense, including the military departments and defense agencies;

"(C) the number of personnel recruited or hired as accessions to serve in billets coded or classified as space cadre personnel for each military department and defense agency;

"(D) the number of personnel serving in billets coded or classified as space cadre personnel that discontinued serving each military department and defense agency during the preceding calendar year, categorized by rationale provided for discontinuing service;

"(E) for each of the reporting requirements in subparagraphs (A) through (D), further classification of the number of personnel by—

"(i) space operators, acquisition personnel, engineers, scientists, program managers, and other space-related areas identified by the Department;

"(ii) expertise or technical specialization area—

"(I) such as communications, missile warning, spacelift, and any

other space-related specialties identified by the Department or classifications used by the Department; and

"(II) consistent with section 1721 of this title for acquisition personnel;

"(iii) rank for active duty and reserve duty personnel and grade for government civilian personnel;

"(iv) qualification, expertise, or proficiency level consistent with service and agency-defined qualification, expertise, or proficiency levels; and

"(v) any other such space-related classification categories used by the Department or military departments; and

"(F) any other metrics identified by the Department to improve the identification, tracking, training, and management of space cadre personnel.

"(3) ASSESSMENTS.—The report required by paragraph (1) shall also include the Secretary's assessment of the state of the Department's space cadre, the Secretary's assessment of the space cadres of the military departments, and a description of efforts to ensure the Department has a space cadre sufficient to

meet current and future national security space needs.".

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

"490. Space cadre management: biennial report.".

Subtitle C—Chemical Demilitarization Program

SEC. 921. CHEMICAL DEMILITARIZATION CITIZENS ADVISORY COMMISSIONS.

(a) FUNCTIONS.—Section 172 of the National Defense Authorization Act for Fiscal Year 1993 (50 U.S.C. 1521 note) is amended—

(1) in each of subsections (b) and (f), by striking "Assistant Secretary of the Army (Research, Development and Acquisition)" and inserting "Assistant Secretary of the Army (Acquisition, Logistics, and Technology)"; and

(2) in subsection (g), by striking "Assistant Secretary of the Army (Research, Development, and Acquisition)" and inserting "Assistant Secretary of the Army (Acquisition, Logistics, and Technology)".

(b) TERMINATION.—Such section is further amended in subsection (h) by striking "after the stockpile located in that commission's State has been destroyed" and inserting "after the closure activities required pursuant to regulations

promulgated by the Administrator of the Environmental Protection Agency pursuant to the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) have been completed for the chemical agent destruction facility in the commission's State, or upon the request of the Governor of the commission's State, whichever occurs first".

SEC. 922. SENSE OF CONGRESS ON COMPLETION OF DESTRUCTION OF UNITED STATES CHEMICAL WEAPONS STOCKPILE.

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

(1) The Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, done at Paris on January 13, 1993 (commonly referred to as the "Chemical Weapons Convention"), originally required that destruction of the entire United States chemical weapons stockpile be completed by April 29, 2007, and then subsequently extended five years to April 29, 2012.

(2) Destroying existing chemical weapons is a homeland security imperative and an arms control priority and is required by United States law.

(3) The program met its one percent and 20 percent destruction deadlines early, and is working to-

wards its 45 percent destruction milestone date of December 31, 2007, as extended.

(4) The mission of the Assembled Chemical Weapons Alternatives (ACWA) program, established in the Department of Defense by Congress in 1997, is to safely destroy the chemical weapons stockpiles located at Pueblo Chemical Depot, Colorado, and Blue Grass Army Depot, Kentucky, through the demonstration of systems employing alternative technologies to the incineration process.

(5) Current ACWA plans call for the use of neutralization followed by on-site biotreatment of aqueous secondary wastes to destroy the Pueblo stockpile, and the use of neutralization followed by on-site supercritical water oxidation treatment of aqueous secondary wastes to destroy the Blue Grass stockpile.

(6) Affected communities in Colorado and Kentucky, represented respectively by the Colorado Chemical Demilitarization Citizens' Advisory Commission (CO CAC) and the Chemical Destruction Community Advisory Board (CDCAB), have made clear their preference for on-site treatment of aqueous secondary wastes over off-site treatment.

(7) Section 921(b)(3) of the John Warner National Defense Authorization Act for Fiscal Year 2007

(Public Law 109-364; 120 Stat. 2359) contained a Sense of Congress urging the Secretary of Defense to ensure the elimination of the United States chemical weapons stockpile in the shortest time possible, consistent with the requirement to protect public health, safety, and the environment.

(8) Section 921(b)(4) of that Act contained a Sense of Congress urging the Secretary of Defense to propose a credible treatment and disposal process with the support of affected communities.

(b) SENSE OF CONGRESS.—It is the sense of Congress the Department of Defense should—

(1) continue with its plan for on-site disposal of the ACWA-managed stockpiles located at Pueblo Chemical Depot, Colorado, and Blue Grass Army Depot, Kentucky; and

(2) ensure that extensive consultation and notification processes exist between representatives of the Department of Defense and representatives of the relevant States and local communities.

Subtitle D—Intelligence-Related Matters

SEC. 931. REPORTS ON FOREIGN LANGUAGE PROFICIENCY.

(a) IN GENERAL.—

(1) FOREIGN LANGUAGE PROFICIENCY REPORTS.—Chapter 23 of title 10, United States Code, as amended by this Act, is further amended by adding at the end the following new section:

"§ 491. Foreign language proficiency: annual reports

"(a) IN GENERAL.—The Secretary of each military department shall annually submit to the Secretary of Defense a report on the foreign language proficiency of the personnel of the military department concerned.

"(b) CONTENTS.—Each report submitted under subsection (a) shall include, for each foreign language and, where appropriate, dialect of a foreign language—

"(1) the number of positions of the military department concerned that require proficiency in the foreign language or dialect;

"(2) the number of personnel of the military department that are serving in a position that—

"(A) requires proficiency in the foreign language or dialect to perform the primary duty of the position; and

"(B) does not require proficiency in the foreign language or dialect to perform the primary duty of the position;

"(3) the number of personnel that are proficient in the foreign language or dialect that—

"(A) are authorized for the military department for which the report is submitted; and

"(B) the Secretary of the military department concerned considers necessary for the military department concerned for each of the five years following the date of the submission of the report;

"(4) the number of personnel of the military department concerned rated at each level of proficiency of the Interagency Language Roundtable;

"(5) whether the number of personnel at each level of proficiency of the Interagency Language Roundtable meets the requirements of the military department concerned;

"(6) the number of personnel serving or hired to serve as linguists for the military department concerned that are not qualified as linguists under the standards of the Interagency Language Roundtable;

"(7) the number of personnel hired to serve as linguists for the military department concerned during the preceding calendar year;

"(8) the number of personnel serving as linguists that discontinued serving the military department concerned during the preceding calendar year;

"(9) the percentage of work requiring linguistic skills that is fulfilled by an ally of the United States;

"(10) the percentage of work requiring linguistic skills that is fulfilled by contractors; and

"(11) the percentage of work requiring linguistic skills that is fulfilled by personnel of the intelligence community (as such term is defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4))) that are not members of the armed forces on active duty assigned to the military department for which the report is submitted.

"(c) SECRETARY OF DEFENSE REPORT TO CONGRESS.—The Secretary of Defense shall annually submit to the congressional defense committees a report containing—

"(1) each report submitted to the Secretary of Defense for a year under subsection (a);

"(2) for each foreign language and, where appropriate, dialect of a foreign language—

"(A) the number of positions of the Department of Defense that are not under the jurisdiction of the Secretary of a military department that require proficiency in the foreign language or dialect;

"(B) the number of personnel of the Department of Defense that are not under the jurisdic-

tion of the Secretary of a military department that are serving in a position that—

"(i) requires proficiency in the foreign language or dialect to perform the primary duty of the position; and

"(ii) does not require proficiency in the foreign language or dialect to perform the primary duty of the position;

"(C) the number of personnel of the Department of Defense that are not under the jurisdiction of the Secretary of a military department that are proficient in the foreign language or dialect that—

"(i) are authorized for the Department of Defense, but not under the jurisdiction of the Secretary of a military department; and

"(ii) the Secretary of Defense considers necessary for the Department of Defense (excluding personnel under the jurisdiction of the Secretary of a military department) for each of the five years following the date of the submission of the report;

"(D) the number of personnel of the Department of Defense that are not under the jurisdiction of the Secretary of a military department

rated at each level of proficiency of the Interagency Language Roundtable;

"(E) whether the number of personnel at each level of proficiency of the Interagency Language Roundtable meets the requirements of the Department of Defense;

"(F) the number of personnel serving or hired to serve as linguists for the Department of Defense that are not under the jurisdiction of the Secretary of a military department that are not qualified as linguists under the standards of the Interagency Language Roundtable;

"(G) the number of personnel hired during the preceding calendar year to serve as linguists for the Department of Defense that are not under the jurisdiction of the Secretary of a military department;

"(H) the number of personnel not under the jurisdiction of the Secretary of a military department serving as linguists that discontinued serving the Department of Defense during the preceding calendar year;

"(I) the percentage of work requiring linguistic skills that is fulfilled by an ally of the United States;

"(J) the percentage of work requiring linguistic skills that is fulfilled by contractors; and

"(K) the percentage of work requiring linguistic skills that is fulfilled by personnel of the intelligence community (as such term is defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4))) that are not members of the armed forces on active duty assigned to the military department for which the report is submitted; and

"(3) an assessment of the foreign language capacity and capabilities of the Department of Defense as a whole.

"(d) NON-MILITARY PERSONNEL.—

"(1) SECRETARY OF MILITARY DEPARTMENT REPORTS.—Except as provided in subsection (a)(11), a report submitted under subsection (a) shall cover only members of the armed forces on active duty assigned to the military department concerned.

"(2) SECRETARY OF DEFENSE REPORTS.—Except as provided in subsection (c)(2)(K), a report submitted under subsection (c) shall cover only members of the armed forces on active duty assigned to the Department of Defense.".

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

"491. Foreign language proficiency: annual reports.".

(b) EFFECTIVE DATE.—

(1) INITIAL REPORT BY SECRETARY OF EACH MILITARY DEPARTMENT.—The first report required to be submitted by the Secretary of each military department under section 491(a) of title 10, United States Code, as added by subsection (a), shall be submitted not later than 180 days after the date of the enactment of this Act.

(2) INITIAL REPORT BY SECRETARY OF DEFENSE.—The first report required to be submitted by the Secretary of Defense under section 491(c) of title 10, United States Code, as added by subsection (a), shall be submitted not later than 240 days after the date of the enactment of this Act.

SEC. 932. TECHNICAL AMENDMENTS TO TITLE 10, UNITED STATES CODE, ARISING FROM ENACTMENT OF THE INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004.

(a) REFERENCES TO HEAD OF INTELLIGENCE COMMUNITY.—Title 10, United States Code, is amended by striking "Director of Central Intelligence" each place it appears in

the following provisions and inserting "Director of National Intelligence":

(1) Section 192(c)(2).

(2) Section 193(d)(2).

(3) Section 193(e).

(4) Section 201(a).

(5) Section 201(c)(1).

(6) Section 425(a).

(7) Section 426(a)(3).

(8) Section 426(b)(2).

(9) Section 441(c).

(10) Section 441(d).

(11) Section 443(d).

(12) Section 2273(b)(1).

(13) Section 2723(a).

(b) REFERENCES TO HEAD OF CENTRAL INTELLIGENCE AGENCY.—Such title is further amended by striking "Director of Central Intelligence" each place it appears in the following provisions and inserting "Director of the Central Intelligence Agency":

(1) Section 431(b)(1).

(2) Section 444.

(3) Section 1089(g).

(c) OTHER AMENDMENTS.—

(1) SUBSECTION HEADINGS.—

(A) SECTION 441(c).—The heading of subsection (c) of section 441 of such title is amended by striking "DIRECTOR OF CENTRAL INTELLIGENCE" and inserting "DIRECTOR OF NATIONAL INTELLIGENCE".

(B) SECTION 443(d).—The heading of subsection (d) of section 443 of such title is amended by striking "DIRECTOR OF CENTRAL INTELLIGENCE" and inserting "DIRECTOR OF NATIONAL INTELLIGENCE".

(2) SECTION 201.—Section 201 of such title is further amended—

(A) in subsection (b)(1), to read as follows: "(1) In the event of a vacancy in a position referred to in paragraph (2), before appointing an individual to fill the vacancy or recommending to the President an individual to be nominated to fill the vacancy, the Secretary of Defense shall obtain the concurrence of the Director of National Intelligence as provided in section 106(b) of the National Security Act of 1947 (50 U.S.C. 403–6(b)).."; and

(B) in subsection (c)(1), by striking "National Foreign Intelligence Program" and inserting "National Intelligence Program".

Subtitle E—Roles and Missions Analysis

SEC. 941. ANALYSIS AND ORGANIZATION OF ROLES AND MISSIONS OF DEPARTMENT OF DEFENSE.

(a) REQUIREMENT FOR QUADRENNIAL ROLES AND MISSIONS REVIEW.—

(1) IN GENERAL.—Chapter 2 of title 10, United States Code, is amended by inserting after section 118a the following new section:

"§ 118b. Quadrennial roles and missions review

"(a) REVIEW REQUIRED.—(1) The Secretary of Defense shall every four years conduct a comprehensive assessment (to be known as the 'quadrennial roles and missions review') of the roles and missions of the Department of Defense. Each such quadrennial roles and missions review shall be conducted in consultation with the Chairman of the Joint Chiefs of Staff.

"(b) CONDUCT OF REVIEW.—Each quadrennial roles and missions review shall be conducted so as—

"(1) to organize the significant missions of the Department of Defense into core mission areas that cover broad areas of military activity, such as dominance of ground, air, maritime, and space environments; expeditionary warfare; mobility; homeland defense; and cyberoperations; and

"(2) to ensure that the core mission areas are defined so that the areas are mutually supportive but with as little overlap in functions as is necessary.

"(c) SUBMISSION TO CONGRESSIONAL COMMITTEES.—(1) The Secretary shall submit a report on each quadrennial roles and missions review to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.

"(2) The report shall be submitted in the year following the year in which the review is conducted, but not later than the date on which the President submits the budget for the next fiscal year to Congress under section 1105(a) of title 31.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 118a the following new item:

"118b. Quadrennial roles and missions review.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 118(e) of title 10, United States Code, is amended—

(1) by striking paragraph (2); and

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

(c) DEADLINE FOR FIRST ROLES AND MISSIONS REVIEW.—The first roles and missions review under section

118b of title 10, United States Code, as added by subsection (a), shall be performed and completed during 2008.

SEC. 942. IDENTIFICATION OF CORE COMPETENCIES OF THE MILITARY DEPARTMENTS AND OTHER ENTITIES WITHIN THE DEPARTMENT OF DEFENSE.

(a) IN GENERAL.—

(1) REQUIREMENT.—Chapter 3 of title 10, United States Code, is amended by inserting after section 125 the following new section:

"§ 125a. Core competencies

"(a) REQUIREMENT TO IDENTIFY CORE COMPETENCIES.—The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff and the Secretaries of the military departments, shall identify core competencies for each of the following:

"(1) Each military department.

"(2) The Office of the Secretary of Defense.

"(3) Each Defense Agency.

"(4) Each Department of Defense Field Activity.

"(5) Each combatant command with acquisition authority.

"(b) BASIS OF COMPETENCIES.—In identifying the core competencies of an entity listed in subsection (a), the Secretary of Defense shall—

"(1) ensure that each core competency is clearly associated with a core mission area of the Department of Defense (as identified pursuant to the quadrennial roles and missions review under section 118b of this title); and

"(2) base such identification on the ability of an entity to provide doctrinal, organizational, training, materiel, leadership, personnel, and facilities solutions to meet requirements within a core mission area of the Department of Defense.".

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

"125a. Core competencies.".

(b) REPORT ON CORE COMPETENCIES.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the core competencies identified under section 125a of title 10, United States Code, as added by subsection (a), not later than the date on which the budget for fiscal year 2009 is submitted to Congress by the President under section 1105(a) of title 31, United States Code.

SEC. 943. REVIEW OF CAPABILITIES OF THE MILITARY DEPARTMENTS AND OTHER ENTITIES.

(a) REVIEW REQUIRED.—The Secretary of Defense shall conduct a review of the capabilities that each of the following entities is performing or developing:

(1) Each military department.

(2) The Office of the Secretary of Defense.

(3) Each Defense Agency.

(4) Each Department of Defense Field Activity.

(5) Each combatant command with acquisition authority.

(b) MATTERS COVERED.—In conducting the review, the Secretary of Defense—

(1) shall determine whether any such capabilities are outside the entity's core competencies (as identified under section 125a of this title) or outside a core mission area of the Department of Defense (as identified pursuant to the quadrennial roles and missions review under section 118b of this title);

(2) shall determine whether any core competencies required to effectively perform the core mission areas of the Department of Defense are not being performed or developed in any entity listed in subsection (a); and

(3) shall determine whether there is any duplication of a capability within a core mission area, and provide a justification for such duplication.

(c) REPORT TO CONGRESS; LIMITATION.—Not later than June 1, 2009, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the review. No new major defense acquisition programs may be started in the Department of Defense after June 1, 2009, until the report has been submitted to such committees.

SEC. 944. JOINT REQUIREMENTS OVERSIGHT COUNCIL ADDITIONAL DUTIES RELATING TO CORE MISSION AREAS.

(a) REVISIONS IN MISSION.—

(1) REVISIONS.—Subsection (b) of section 181 of title 10, United States Code, is amended to read as follows:

"(b) MISSION.—In addition to other matters assigned to it by the President or Secretary of Defense, the Joint Requirements Oversight Council shall—

"(1) assist the Chairman of the Joint Chiefs of Staff—

"(A) in identifying, assessing, and approving joint military requirements (including exist-

ing systems and equipment) to meet the national military strategy; and

"(B) in identifying the core mission area associated with each such requirement;

"(2) assist the Chairman in establishing and assigning priority levels for joint military requirements;

"(3) assist the Chairman in estimating the level of resources required in the fulfillment of each joint military requirement and in ensuring that such resource level is consistent with the level of priority assigned to such requirement; and

"(4) assist the Chairman in considering alternatives to any acquisition program that has been identified to meet joint military requirements by evaluating the cost, schedule, and performance criteria of each alternative and of the identified program.".

(2) DEFINITIONS.—Section 181 of such title is amended by adding at the end the following new subsection:

"(e) DEFINITIONS.—In this section:

"(1) The term 'joint military requirement' means a capability necessary to fulfill a gap in a core mission area of the Department of Defense.

"(2) The term 'core mission area' means a core mission area of the Department of Defense identified

under the most recent quadrennial roles and missions review pursuant to section 118b of this title.".

(b) ADDITIONAL MEMBERS OF JOINT REQUIREMENTS OVERSIGHT COUNCIL.—Section 181(c) of title 10, United States Code, is amended—

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

(2) by inserting after subparagraph (A) the following new subparagraphs:

"(B) the Under Secretary of Defense for Acquisition, Technology, and Logistics;

"(C) the Under Secretary of Defense (Comptroller);".

(c) ORGANIZATION.—Section 181 of such title is amended—

(1) by redesignating subsections (d) and (e) (as added by subsection (a)) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following new subsection (d):

"(d) ORGANIZATION.—The Joint Requirements Oversight Council shall organize its activities according to the core missions areas of the Department of Defense. In any review of a core mission area, the officer or official assigned

to lead the review shall have a deputy from a different military department.".

(d) DEADLINES.—Effective June 1, 2009, all joint military requirements documents of the Joint Requirements Oversight Council produced to carry out its mission under section 181(b)(1) of title 10, United States Code, shall conform to the core mission areas organized and defined under section 118b of such title. Not later than October 1, 2009, all such documents produced before June 1, 2009, shall conform to such structure.

(e) REVISED FUNCTION OF CHAIRMAN OF JOINT CHIEFS OF STAFF.—Section 153(a)(4)(F) of title 10, United States Code, is amended by striking "Assessing military requirements for defense acquisition programs." and inserting "Advising the Secretary on the effective and efficient coordination of all military requirements for defense acquisition programs.".

SEC. 945. REQUIREMENT FOR CERTIFICATION OF MAJOR SYSTEMS PRIOR TO TECHNOLOGY DEVELOPMENT.

(a) REQUIREMENT FOR CERTIFICATION.—

(1) IN GENERAL.—Chapter 139 of title 10, United States Code, is amended by inserting after section 2366a the following new section:

"§ 2366b. Major systems: requirement for Joint Requirements Oversight Council certification

"(a) CERTIFICATION.—Before the start of technology development for a major system, the Joint Requirements Oversight Council shall certify—

"(1) that the system fulfills an approved initial capabilities document;

"(2) that the system is being executed by an entity with a relevant core competency as identified by the Secretary of Defense under section 125a of this title;

"(3) if the system duplicates a capability already provided by an existing system, the duplication provided by such system is necessary and appropriate; and

"(4) that a cost estimate for the system has been submitted and that the level of resources required to develop and procure the system is consistent with the level of resources estimated by the Joint Requirements Oversight Council for the initial capabilities document identified under paragraph (1).

"(b) NOTIFICATION.—With respect to a major system certified by the Joint Requirements Oversight Council under subsection (a), if the projected cost of the system, at any time prior to Milestone B approval, exceeds the cost

estimate for the system submitted to the Council at the time of the certification by at least 25 percent, the Secretary of the military department concerned, or in the case of Office of the Secretary of Defense, a Defense Agency, or a Department of Defense Field Activity, the Secretary of Defense, shall notify the Joint Requirements Oversight Council. Upon receipt of such notification, the Council shall consider whether to recommend that the program be continued or that the program be terminated.

" (c) DEFINITIONS.—In this section:

"(1) The term 'major system' has the meaning provided in section 2302(5) of this title.

"(2) The term 'initial capabilities document' means any capabilities requirement document approved by the Joint Requirements Oversight Council that establishes the need for a materiel approach to resolve a capability gap.

"(3) The term 'technology development program' means a coordinated effort to assess technologies and refine user performance parameters to fulfill a capability gap identified in an initial capabilities document.

"(4) The term 'entity' means an entity listed in section 125a(a) of this title.

"(5) The term 'Milestone B approval' has the meaning provided that term in section 2366(e)(7) of this title.".

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

"2366b. Major systems: requirement for Joint Requirements Oversight Council certification.".

(b) EFFECTIVE DATE.—Section 2366b of title 10, United States Code, as added by subsection (a), shall apply to major systems on and after March 1, 2008.

SEC. 946. PRESENTATION OF FUTURE-YEARS MISSION BUDGET BY CORE MISSION AREA.

(a) TIME OF SUBMISSION OF FUTURE-YEARS MISSION BUDGET.—The second sentence of section 222(a) of title 10, United States Code, is amended to read as follows: "That budget shall be submitted for any fiscal year with the future-years defense program submitted under section 221 of this title.".

(b) ORGANIZATION OF FUTURE-YEARS MISSION BUDGET.—The second sentence of section 222(b) of such title is amended by striking "on the basis" and all that follows through the end of the sentence and inserting the following: "on the basis of both major force programs and the core mission areas identified under the most recent quadrennial

roles and missions review pursuant to section 118b of this title.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to the future-years mission budget for fiscal year 2010 and each fiscal year thereafter.

SEC. 947. FUTURE CAPABILITY PLANNING BY JOINT REQUIREMENTS OVERSIGHT COUNCIL.

(a) REQUIREMENT FOR EXTENDED PLANNING ANNEXES.—Section 181 of title 10, United States Code, as amended by this subtitle, is further amended—

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

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

''(f) FUTURE CAPABILITY PLANNING.—(1)(A) The Secretary of Defense shall direct the commanders of combatant commands to prepare extended planning annexes to all operational and contingency plans. Each extended planning annex shall—

''(i) include the commander's assessment of the capabilities needed to successfully accomplish the missions for which the operational and contingency plans were created;

''(ii) use a 15-year planning horizon and take into account expected changes in threats, the geo-

political environment, and doctrine, training, and operational concepts; and

"(iii) provide capability assessments for the year in which the annex is submitted and for the 5th, 10th, and 15th years after such year.

"(B) The extended planning annexes shall be submitted to the Secretary of Defense and the Chairman of the Joint Chiefs of Staff biannually.

"(2) The Joint Requirements Oversight Council shall—

"(A) in consultation with the office responsible for program analysis and evaluation within the Office of the Secretary of Defense and the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics, match—

"(i) the capabilities that are expected to be provided by the acquisition programs in existence during the period covered by the most recent extended planning annexes, including classified and compartmentalized programs, and the science and technology programs in existence during that period, with

"(ii) capability needs identified in the extended planning annexes prepared under paragraph (1);

"(B) in coordination with the commanders of the combatant commands, and within 30 days after submission of the extended planning annexes, identify gaps in capabilities not likely to be closed by existing acquisition programs and science and technology programs described in subparagraph (A)(i), assign priorities for addressing such gaps, and identify areas where such programs are expected to provide capability beyond that which is required; and

"(C) develop a plan for the Department of Defense to acquire needed joint capabilities and divest itself of unneeded capabilities, based on the extended planning annexes prepared under paragraph (1).

"(3) In this subsection, the term 'operational and contingency plans' means plans prepared by a commander of a combatant command to carry out missions assigned to the command under section 164 of this title.".

(b) DEADLINE FOR FIRST EXTENDED PLANNING ANNEXES.—The first extended planning annexes under section 181(f) of title 10, United States Code, as added by subsection (a), shall be submitted under that section not later than 90 days after the date of the enactment of this Act.

Subtitle F—Other Matters

SEC. 951. DEPARTMENT OF DEFENSE CONSIDERATION OF EFFECT OF CLIMATE CHANGE ON DEPARTMENT FACILITIES, CAPABILITIES, AND MISSIONS.

Section 118 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) CONSIDERATION OF EFFECT OF CLIMATE CHANGE ON DEPARTMENT FACILITIES, CAPABILITIES, AND MISSIONS.—(1) The first national security strategy and national defense strategy prepared after the date of the enactment of this subsection shall include guidance for military planners—

"(A) to assess the risks of projected climate change to current and future missions of the armed forces;

"(B) to update defense plans based on these assessments, including working with allies and partners to incorporate climate mitigation strategies, capacity building, and relevant research and development; and

"(C) to develop the capabilities needed to reduce future impacts.

"(2) The first quadrennial defense review prepared after the date of the enactment of this subsection shall also examine the capabilities of the armed forces to respond to

the consequences of climate change, in particular, preparedness for natural disasters from extreme weather events and other missions the armed forces may be asked to support inside the United States and overseas.

"(3) For planning purposes to comply with the requirements of this subsection, the Secretary of Defense shall use—

"(A) the mid-range projections of the fourth assessment report of the Intergovernmental Panel on Climate Change;

"(B) subsequent mid-range consensus climate projections if more recent information is available when the next national security strategy, national defense strategy, or quadrennial defense review, as the case may be, is conducted; and

"(C) findings of appropriate and available estimations or studies of the anticipated strategic, social, political, and economic effects of global climate change and the implications of such effects on the national security of the United States.

"(4) In this subsection, the term 'national security strategy' means the annual national security strategy report of the President under section 108 of the National Security Act of 1947 (50 U.S.C. 404a).".

SEC. 952. INTERAGENCY POLICY COORDINATION.

(a) PLAN REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall develop and submit to Congress a plan to to improve and reform the interagency coordination process on national security issues.

(b) ELEMENTS.—The elements of the plan shall include the following:

(1) Assigning either the Under Secretary of Defense for Policy or another official to be the lead policy official for improving and reforming the interagency coordination process on national security issues for the Department of Defense, with an explanation of any decision to name an official other than the Under Secretary and the relative advantages and disadvantages of such decision.

(2) Giving the official assigned under paragraph (1) the following responsibilities:

(A) To be the lead person at the Department of Defense for the development of policy affecting the national security interagency process.

(B) To serve, or designate a person to serve, as the representative of the Department of Defense in Federal Government forums established to address interagency policy, planning, or reforms.

(C) To advocate, on behalf of the Secretary, for greater interagency coordination and contributions in the execution of the National Security Strategy and particularly specific operational objectives undertaken pursuant to that strategy.

(D) To make recommendations to the Secretary of Defense on changes to existing Department of Defense regulations or laws to improve the interagency process.

(E) To serve as the coordinator for all planning and training assistance that is—

(i) designed to improve the interagency process or the capabilities of other agencies to work with the Department of Defense; and

(ii) provided by the Department of Defense at the request of other agencies.

(F) To serve as the lead official in Department of Defense for the development of deployable joint interagency task forces.

(c) FACTORS TO BE CONSIDERED.—In drafting the plan, the Secretary of Defense shall also consider the following factors:

(1) How the official assigned under subsection (b)(1) shall provide input to the Secretary of Defense on an ongoing basis on how to incorporate the need to coordinate with other agencies into the establishment and reform of combatant commands.

(2) How such official shall develop and make recommendations to the Secretary of Defense on a regular or an ongoing basis on changes to military and civilian personnel to improve interagency coordination.

(3) How such official shall work with the combatant command that has the mission for joint warfighting experimentation and other interested agencies to develop exercises to test and validate interagency planning and capabilities.

(4) How such official shall lead, coordinate, or participate in after-action reviews of operations, tests, and exercises to capture lessons learned regarding the functioning of the interagency process and how those lessons learned will be disseminated.

(5) The role of such official in ensuring that future defense planning guidance takes into account the capabilities and needs of other agencies.

(d) RECOMMENDATION ON CHANGES IN LAW.—The Secretary of Defense may submit with the plan or with any

future budget submissions recommendations for any changes to law that are required to enhance the ability of the official assigned under subsection (b)(1) in the Department of Defense to coordinate defense interagency efforts or to improve the ability of the Department of Defense to work with other agencies.

(e) ANNUAL REPORT.—If an official is named by the Secretary of Defense under subsection (b)(1), the official shall annually submit to Congress a report, beginning in the fiscal year following the naming of the official, on those actions taken by the Department of Defense to enhance national security interagency coordination, the views of the Department of Defense on efforts and challenges in improving the ability of agencies to work together, and suggestions on changes needed to laws or regulations that would enhance the coordination of efforts of agencies.

(f) DEFINITION.—In this section, the term "interagency coordination", within the context of Department of Defense involvement, means the coordination that occurs between elements of the Department of Defense and engaged Federal Government agencies for the purpose of achieving an objective.

(g) CONSTRUCTION.—Nothing in this provision shall be construed as preventing the Secretary of Defense from naming an official with the responsibilities listed in sub-

section (b) before the submission of the report required under this section.

SEC. 953. EXPANSION OF EMPLOYMENT CREDITABLE UNDER SERVICE AGREEMENTS UNDER NATIONAL SECURITY EDUCATION PROGRAM.

Paragraph (2) of subsection (b) of section 802 of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902), as most recently amended by section 945 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364; 120 Stat. 2367), is amended—

(1) in subparagraph (A)—

(A) in clause (i) by striking "or" at the end; and

(B) by adding at the end the following:

"(iii) for not less than one academic year in a position in the field of education in a discipline related to the study supported by the program if the recipient demonstrates to the Secretary of Defense that no position is available in the departments, agencies, and offices covered by clauses (i) and (ii); or"; and

(2) in subparagraph (B)—

(A) in clause (i) by striking "or" at the end;

(B) in clause (ii) by striking "and" at the end and inserting "or"; and

(C) by adding at the end the following:

"(iii) for not less than one academic year in a position in the field of education in a discipline related to the study supported by the program if the recipient demonstrates to the Secretary of Defense that no position is available in the departments, agencies, and offices covered by clauses (i) and (ii); and".

SEC. 954. STUDY OF NATIONAL SECURITY INTERAGENCY SYSTEM.

(a) STUDY REQUIRED.—The Secretary of Defense may enter into an agreement with an independent, nonprofit, nonpartisan organization to conduct a study on the national security interagency system.

(b) REPORT.—The agreement entered into under subsection (a) shall require the organization to submit to Congress and the President a report containing the results of the study conducted pursuant to such agreement and any recommendations for changes to the national security interagency system (including legislative or regulatory changes).

(c) SUBMISSION DATE.—The agreement entered into under subsection (a) shall require the organization to submit the report required under subsection (b) not later than 180 days after the date on which the Secretary makes funds appropriated pursuant to section 301(5) available to the organization.

(d) NATIONAL SECURITY INTERAGENCY SYSTEM DEFINED.—In this section, the term "national security interagency system" means the structures, mechanisms, and processes by which the departments, agencies, and elements of the Federal Government that have national security missions integrate their policies, capabilities, expertise, and activities to accomplish such missions.

(e) FUNDING.—Of the amounts authorized to be appropriated by section 301(5), not more than $4,000,000 shall be available to carry out this section.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. General transfer authority.
Sec. 1002. United States contribution to NATO common-funded budgets in fiscal year 2008.

Subtitle B—Policy Relating to Vessels and Shipyards

Sec. 1011. Limitation on leasing of foreign-built vessels.
Sec. 1012. Policy relating to major combatant vessels of the strike forces of the United States Navy.

Subtitle C—Counter-Drug Activities

Sec. 1021. Extension of authority for joint task forces to provide support to law enforcement agencies conducting counter-terrorism activities.

Subtitle D—Reports

Sec. 1031. Extension and modification of report relating to hardened and deeply buried targets.
Sec. 1032. Comptroller General review of the Joint Improvised Explosive Device Defeat Organization.
Sec. 1033. Report on a national joint modeling and simulation development strategy.

Subtitle E—Other Matters

Sec. 1041. Enhancement of corrosion control and prevention functions within Department of Defense.
Sec. 1042. Support by National Guard for national special security events and other critical national security activities.
Sec. 1043. Improved authority to provide rewards for assistance in combating terrorism.
Sec. 1044. Revision of proficiency flying definition.
Sec. 1045. Support for non-Federal development and testing of material for chemical agent defense.
Sec. 1046. Congressional Commission on the Strategic Posture of the United States.
Sec. 1047. Technical and clerical amendments.
Sec. 1048. Repeal of certification requirement.
Sec. 1049. Prohibition on sale by Department of Defense of parts for F–14 fighter aircraft.
Sec. 1050. Maintenance of capability for space-based nuclear detection.
Sec. 1051. Additional weapons of mass destruction civil support teams.
Sec. 1052. Sense of Congress regarding need to replace Army M109 155mm self-propelled howitzer.
Sec. 1053. Sense of Congress regarding detainees at Naval Station, Guantanamo Bay, Cuba.
Sec. 1054. Repeal of provisions in section 1076 of Public Law 109–364 relating to use of Armed Forces in major public emergencies.

1 **Subtitle A—Financial Matters**

2 **SEC. 1001. GENERAL TRANSFER AUTHORITY.**

3 *(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—*

4 *(1) AUTHORITY.—Upon determination by the*
5 *Secretary of Defense that such action is necessary in*
6 *the national interest, the Secretary may transfer*
7 *amounts of authorizations made available to the De-*
8 *partment of Defense in this division for fiscal year*
9 *2008 between any such authorizations for that fiscal*
10 *year (or any subdivisions thereof). Amounts of au-*

thorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) LIMITATION.—The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $4,500,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

(e) PROHIBITION ON TRANSFERS FROM GUARD AND RESERVE ACCOUNTS.—Funds authorized in this division for an account of the National Guard or other reserve com-

ponents of the Armed Forces may not be a source of funds for transfer to a different account other than another account of the National Guard or other reserve component.

SEC. 1002. UNITED STATES CONTRIBUTION TO NATO COMMON-FUNDED BUDGETS IN FISCAL YEAR 2008.

(a) FISCAL YEAR 2008 LIMITATION.—The total amount contributed by the Secretary of Defense in fiscal year 2008 for the common-funded budgets of NATO may be any amount up to, but not in excess of, the amount specified in subsection (b) (rather than the maximum amount that would otherwise be applicable to those contributions under the fiscal year 1998 baseline limitation).

(b) TOTAL AMOUNT.—The amount of the limitation applicable under subsection (a) is the sum of the following:

(1) The amounts of unexpended balances, as of the end of fiscal year 2007, of funds appropriated for fiscal years before fiscal year 2008 for payments for those budgets.

(2) The amount specified in subsection (c)(1).

(3) The amount specified in subsection (c)(2).

(4) The total amount of the contributions authorized to be made under section 2501.

(c) AUTHORIZED AMOUNTS.—Amounts authorized to be appropriated by titles II and III of this Act are available

for contributions for the common-funded budgets of NATO as follows:

(1) Of the amount provided in section 201(1), $1,031,000 for the Civil Budget.

(2) Of the amount provided in section 301(1), $362,159,000 for the Military Budget.

(d) DEFINITIONS.—For purposes of this section:

(1) COMMON-FUNDED BUDGETS OF NATO.—The term "common-funded budgets of NATO" means the Military Budget, the Security Investment Program, and the Civil Budget of the North Atlantic Treaty Organization (and any successor or additional account or program of NATO).

(2) FISCAL YEAR 1998 BASELINE LIMITATION.—The term "fiscal year 1998 baseline limitation" means the maximum annual amount of Department of Defense contributions for common-funded budgets of NATO that is set forth as the annual limitation in section 3(2)(C)(ii) of the resolution of the Senate giving the advice and consent of the Senate to the ratification of the Protocols to the North Atlantic Treaty of 1949 on the Accession of Poland, Hungary, and the Czech Republic (as defined in section 4(7) of that resolution), approved by the Senate on April 30, 1998.

Subtitle B—Policy Relating to Vessels and Shipyards

SEC. 1011. LIMITATION ON LEASING OF FOREIGN-BUILT VESSELS.

(a) IN GENERAL.—

(1) CONTRACTS FOR LEASES FOR MORE THAN 24 MONTHS.—Chapter 141 of title 10, United States Code, is amended by inserting after section 2401a the following new section:

"§ 2401b. Limitation on lease of foreign-built vessels

"(a) LIMITATION.—The Secretary of a military department may not make a contract for a lease or charter of a vessel for a term of more than 24 months (including all options to renew or extend the contract) if the hull, or a component of the hull and superstructure of the vessel, is constructed in a foreign shipyard.

"(b) PRESIDENTIAL WAIVER FOR NATIONAL SECURITY INTEREST.—(1) The President may authorize exceptions to the limitation in subsection (a) when the President determines that it is in the national security interest of the United States to do so.

"(2) The President shall transmit notice to Congress of any such determination, and no contract may be made pursuant to the exception authorized until the end of the

30-day period beginning on the date on which the notice of the determination is received by Congress.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2401a the following new item:

"2401b. Limitation on lease of foreign-built vessels.".

(b) EFFECTIVE DATE.—Section 2401b of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts entered into after the date of the enactment of this Act.

SEC. 1012. POLICY RELATING TO MAJOR COMBATANT VESSELS OF THE STRIKE FORCES OF THE UNITED STATES NAVY.

(a) INTEGRATED NUCLEAR POWER SYSTEMS.—It is the policy of the United States to construct the major combatant vessels of the strike forces of the United States Navy, including all new classes of such vessels, with integrated nuclear power systems.

(b) REQUIREMENT TO REQUEST NUCLEAR VESSELS.—If a request is submitted to Congress in the budget for a fiscal year for construction of a new class of major combatant vessel for the strike forces of the United States, the request shall be for such a vessel with an integrated nuclear power system, unless the Secretary of Defense submits with the request a notification to Congress that the inclusion of

an integrated nuclear power system in such vessel is not in the national interest.

(c) DEFINITIONS.—In this section:

(1) MAJOR COMBATANT VESSELS OF THE STRIKE FORCES OF THE UNITED STATES NAVY.—The term "major combatant vessels of the strike forces of the United States Navy" means the following:

(A) Submarines.

(B) Aircraft carriers.

(C) Cruisers, battleships, or other large surface combatants whose primary mission includes protection of carrier strike groups, expeditionary strike groups, and vessels comprising a sea base.

(2) INTEGRATED NUCLEAR POWER SYSTEM.—The term "integrated nuclear power system" means a ship engineering system that uses a naval nuclear reactor as its energy source and generates sufficient electric energy to provide power to the ship's electrical loads, including its combat systems and propulsion motors.

(3) BUDGET.—The term "budget" means the budget that is submitted to Congress by the President under section 1105(a) of title 31, United States Code.

Subtitle C—Counter-Drug Activities

SEC. 1021. EXTENSION OF AUTHORITY FOR JOINT TASK FORCES TO PROVIDE SUPPORT TO LAW ENFORCEMENT AGENCIES CONDUCTING COUNTER-TERRORISM ACTIVITIES.

Section 1022(b) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 10 U.S.C. 371 note) is amended by striking "and 2007" and inserting "through 2008".

Subtitle D—Reports

SEC. 1031. EXTENSION AND MODIFICATION OF REPORT RELATING TO HARDENED AND DEEPLY BURIED TARGETS.

Section 1032 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107-314; 116 Stat. 2643; 10 U.S.C. 2358 note) is amended—

*(1) in the heading, by striking "**ANNUAL REPORT ON WEAPONS**" and inserting "**REPORT ON CAPABILITIES**";*

(2) in subsection (a)—

(A) in the heading, by striking "ANNUAL";

(B) by striking "April 1 of each year" and inserting "March 1, 2009, and every two years thereafter,";

(C) by striking "Director of Central Intelligence" and inserting "Director of National Intelligence";

(D) by striking "the preceding fiscal year" and inserting "the preceding two fiscal years and planned for the current fiscal year and the next fiscal year"; and

(E) by striking "to develop weapons" and inserting "to develop capabilities";

(3) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "The report for a fiscal year" and inserting "A report submitted";

(B) in paragraph (1), by striking "were undertaken during that fiscal year" and inserting "were or will be undertaken during the four-fiscal-year period covered by the report"; and

(C) in paragraph (2) in the matter preceding subparagraph (A), by striking "were undertaken during such fiscal year" and inserting "were or will be undertaken during the four-fiscal-year period covered by the report"; and

(4) in subsection (d), by striking "April 1, 2007" and inserting "March 1, 2013".

SEC. 1032. COMPTROLLER GENERAL REVIEW OF THE JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT ORGANIZATION.

(a) EVALUATION REQUIRED.—The Comptroller General of the United States shall conduct a review of the Joint Improvised Explosive Device Defeat Organization and its activities.

(b) ANALYSES REQUIRED.—The review required by subsection (a) shall include an analysis of each of the following:

(1) The appropriateness and efficacy of the efforts of the Organization to achieve its mission, including strategy, plans, technologies developed, and programs funded.

(2) The process used by the Organization to select appropriate and effective technologies and other solutions to achieve its mission.

(3) The ability of the Organization to respond to rapidly changing threats and to anticipate future threats.

(4) The performance of the Organization in leading, advocating, and coordinating all of the activities of the Department of Defense to defeat improvised explosive devices and an assessment of the Organization's authority to do so.

(5) The appropriateness of the staff of the Organization, including the number, qualifications, and functions of the personnel of the Organization and the use of contractors in the Organization.

(6) The efforts of the Organization to target enemy networks and how the Organization is leveraging and coordinating such efforts with the efforts of other elements of the Department, and other elements of the United States Government, that are also targeting enemy networks.

(7) The feedback from the warfighter with respect to the efforts of the Organization.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall submit to the congressional defense committees a report on the results of the review required by subsection (a). The report shall contain a summary of the findings of the review.

SEC. 1033. REPORT ON A NATIONAL JOINT MODELING AND SIMULATION DEVELOPMENT STRATEGY.

(a) REPORT REQUIRED.—The Secretary of Defense shall submit to the congressional defense committees a report that would provide for the development and implementation of a joint modeling and simulation concept to support the full spectrum of Department of Defense modeling and simulation requirements and that outlines a plan that

details the Department's modeling and simulation coordination efforts. Such a plan shall—

(1) identify the unique modeling and simulation capabilities of the components of the Department and the Combatant Commands;

(2) identify incentives to reduce duplicative modeling and simulation capabilities of the components of the Department and the Combatant Commands and recommend capabilities to be divested where such duplication is not necessary;

(3) recommend capabilities to be leveraged from within other Federal agencies, national laboratories, State and local governments, academia, private industry, and United States and international standards organizations; and

(4) be capable of supporting joint training, experimentation, systems acquisition, test and evaluation, assessment, and planning.

(b) SUBMISSION OF REPORT.—Not later than nine months after the date of the enactment of this Act, the Secretary shall submit the report under subsection (a).

(c) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) An identification and description of the types of joint training, experimentation, systems acquisi-

tion, test and evaluation, assessment, and planning that would be conducted using such a joint capability, together with a description of how such a joint capability would enhance accomplishment of the four priorities as focus of the 2006 Quadrennial Defense Review (QDR) Report of the Secretary of Defense issued on February 6, 2006.

(2) A discussion of how establishment of such a joint capability would promote modeling and simulation innovation and transformation throughout the Department of Defense to improve operational capabilities and enhance national security.

(3) A methodology, framework, and options that include consideration of leveraging existing capabilities that would accommodate requirements among all the Armed Forces, including common infrastructure and data.

(4) A management plan for coordinating between functional and organizational stakeholders, as well as a plan to continuously introduce new modeling and simulation technologies and divest outdated capabilities.

(5) Options to allow non-defense users to access such a modeling and simulation capability, as appro-

priate, for homeland security and consequence management for Federal, State, and local requirements.

(6) Cost estimates and resource requirements to establish and maintain such a strategy, including estimates of costs and resource requirements for the use of government civilian and military, and contract personnel for the performance of management, operational, and logistics activities for such a capability.

(7) An explanation of the relationship between and among such a capability and the Office of the Secretary of Defense, the Joint Staff, the military departments, commanders of combatant commands, Federal agencies, national laboratories, State and local governments, academia, private industry, United States and international standards organizations, and international partners with responsibility to use modeling and simulation to meet their mission.

(8) A timeline for the establishment of such a capability and for such a capability to achieve—

(A) initial operational capability; and

(B) full operational capability.

(9) At least two alternative modeling and simulation coordination plans, including a Joint Modeling and Simulation Development Strategy, provided that such plans include the required matters in sub-

section (a) and subsection (c), excluding subsection (c)(8), and provided that such reports were submitted to the Secretary by a commander of a Unified Combatant Command or Service Chief.

Subtitle E—Other Matters

SEC. 1041. ENHANCEMENT OF CORROSION CONTROL AND PREVENTION FUNCTIONS WITHIN DEPARTMENT OF DEFENSE.

(a) OFFICE OF CORROSION POLICY AND OVERSIGHT.—(1) Section 2228 of title 10, United States Code, is amended by striking the section heading and subsection (a) and inserting the following:

"§ 2228. Office of Corrosion Policy and Oversight

"(a) OFFICE AND DIRECTOR.—(1) There is an Office of Corrosion Policy and Oversight within the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics.

"(2) The Office shall be headed by a Director of Corrosion Policy and Oversight, who shall be assigned to such position by the Under Secretary from among civilian employees of the Department of Defense with the qualifications described in paragraph (3). The Director is responsible in the Department of Defense to the Secretary of Defense (after the Under Secretary of Defense for Acquisition, Technology, and Logistics) for the prevention and mitigation of corro-

sion of the military equipment and infrastructure of the Department of Defense. The Director shall report directly to the Under Secretary.

"(3) In order to qualify to be assigned to the position of Director, an individual shall—

"(A) have management expertise in, and professional experience with, corrosion project and policy implementation, including an understanding of the effects of corrosion policies on infrastructure; research, development, test, and evaluation; and maintenance; and

"(B) have an understanding of Department of Defense budget formulation and execution, policy formulation, and planning and program requirements.

"(4) The Secretary of Defense shall designate the position of Director as a critical acquisition position under section 1733(b)(1)(C) of this title.".

(2) Section 2228(b) of such title is amended—

(A) in paragraph (1), by striking "official or organization designated under subsection (a)" and inserting "Director of Corrosion Policy and Oversight (in this section referred to as the 'Director')"; and

(B) in paragraphs (2), (3), (4), and (5), by striking "designated official or organization" and inserting "Director".

(b) ADDITIONAL AUTHORITY FOR DIRECTOR OF OFFICE.—Section 2228 of such title is further amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c) ADDITIONAL AUTHORITIES FOR DIRECTOR.—The Director is authorized to—

"(1) develop, update, and coordinate corrosion training with the Defense Acquisition University;

"(2) participate in the process within the Department of Defense for the development of relevant directives and instructions; and

"(3) interact directly with the corrosion prevention industry, trade associations, and scientific organizations engaged in corrosion prevention, including the National Academy of Sciences.".

(c) REPORT REQUIREMENT.—Section 2228 of such title is further amended by inserting after subsection (d) (as redesignated by subsection (b)) the following new subsection:

"(e) REPORT.—(1) For each budget for a fiscal year, beginning with the budget for fiscal year 2009, the Secretary of Defense shall submit, with the defense budget materials, a report on the following:

"(A) Funding requirements for the long-term strategy developed under subsection (d).

"(B) The return on investment that would be achieved by implementing the strategy.

"(C) The funds requested in the budget compared to the funding requirements.

"(D) A justification if the funding requirements are not fully funded in the budget.

"(2) Within 60 days after submission of the budget for a fiscal year, the Comptroller General shall provide to the congressional defense committees—

"(A) an analysis of the budget submission for corrosion control and prevention by the Department of Defense; and

"(B) an analysis of the report required under paragraph (1).".

(d) DEFINITIONS.—Subsection (f) of section 2228 of such title, as redesignated by subsection (b), is amended by adding at the end the following new paragraphs:

"(4) The term 'budget', with respect to a fiscal year, means the budget for that fiscal year that is submitted to Congress by the President under section 1105(a) of title 31.

"(5) The term 'defense budget materials', with respect to a fiscal year, means the materials sub-

mitted to Congress by the Secretary of Defense in support of the budget for that fiscal year.".

SEC. 1042. SUPPORT BY NATIONAL GUARD FOR NATIONAL SPECIAL SECURITY EVENTS AND OTHER CRITICAL NATIONAL SECURITY ACTIVITIES.

(a) IN GENERAL.—Chapter 1 of title 32, United States Code, is amended by adding at the end the following new section:

"§ 116. Defense support of civil authorities

"(a) IN GENERAL.—At the request of a Federal department or agency head in accordance with this section, and when authorized by the Secretary of Defense, the Governor of a State may employ under this title units or members of the National Guard of that State to provide defense support of civil authorities to the requesting Federal department or agency.

"(b) ACTIVITIES INCLUDED IN DEFENSE SUPPORT OF CIVIL AUTHORITIES.—Defense support of civil authorities activities authorized by subsection (a) include support provided for national special security events and other activities determined by the Secretary of Defense as being critical to national security, including—

"(1) ground reconnaissance activities;

"(2) airborne reconnaissance activities;

"(3) logistical support;

"(4) emergency medical assistance and services;

"(5) communications services;

"(6) security assistance and services; and

"(7) air and ground transportation.

"(c) REIMBURSEMENT.—(1) Subject to the exceptions in paragraph (3), the costs incurred by the National Guard shall be reimbursed to the Department of Defense from the appropriations available to the Federal department or agency to which the support is provided. The reimbursement shall include the costs of—

"(A) the pay, allowances, clothing, subsistence, gratuities, travel, and related expenses of personnel of the National Guard of that State;

"(B) the operation and maintenance of the equipment and facilities of the National Guard of that State; and

"(C) the procurement of services and equipment, and the leasing of equipment, for the National Guard of that State.

"(2) Any funds received by the Department of Defense as reimbursement for support provided by units or members of the National Guard under this section shall be credited, at the option of the Secretary of Defense, to—

"(A) the appropriation, fund, or account from which funds were expended for the support; or

"(B) the appropriate appropriation, fund, or account currently available for such purpose.

"(3) A Federal department or agency to which support is provided under this section is not required to reimburse the Department of Defense for such support if the Secretary of Defense waives reimbursement. The Secretary of Defense may waive the reimbursement requirement under this section if—

"(A) the support is provided in the normal course of military training or operations; or

"(B) the support provided results in a benefit to units or members of the National Guard providing the support that is substantially equivalent to that which would otherwise be obtained from military operations or training.

"(d) REQUIREMENTS FOR REQUESTS.—Requests for assistance from Federal departments or agencies under this section shall be submitted to the Secretary of Defense. Any such request shall include the following:

"(1) The specific support capability requested.

"(2) The duration of the requested support activities.

"(3) A certification that the requested support activities will be fully reimbursable.

"(4) A certification from the Governor of the State concerned that the requested support will be provided at a time when the personnel involved are not in Federal service.

"(e) CHARACTERIZATION OF SERVICE.—All duty performed under this section shall be considered to be full-time National Guard duty under section 502(f) of this title.

"(f) DURATION OF SUPPORT.—The period for which support may be provided to a Federal department or agency under this section shall be limited to 180 days. When requested by the head of a Federal department or agency, the Secretary of Defense may, with the concurrence of the Governor of the State concerned, extend the period of time for an additional 90 days to meet extraordinary circumstances.

"(g) TRAINING AND BENEFITS.—(1) A member of the National Guard performing duty under this section shall, in addition to performing such duty, participate in the training required under section 502(a) of this title. The pay, allowances, and other benefits of the member while participating in the training shall be the same as those to which the member is entitled while performing the duty under this section. The member is not entitled to additional pay, allowances, or other benefits for participation in training required under section 502(a)(1) of this title.

"(2) To ensure that the use of units and personnel of the National Guard of a State for activities specified in subsection (b) does not degrade the training and readiness of such units and personnel, the following requirements shall apply in determining the activities that units and personnel of the National Guard of a State may perform:

"(A) The performance of the activities may not affect adversely the quality of that training or otherwise interfere with the ability of a member or unit of the National Guard to perform the military functions of the member or unit.

"(B) The performance of the activities may not degrade the military skills of the members of the National Guard performing those activities.

"(h) LIMITATION ON PROVISION OF SUPPORT ACTIVITIES.—Defense support of civil authorities activities conducted under authority of this section may not be provided if the provision of such support will affect adversely the military preparedness of the United States.

"(i) RELATIONSHIP TO OTHER AUTHORITIES.—Nothing in this section shall be construed as a limitation on the authority of any unit of the National Guard of a State, when such unit is not in Federal service, to perform functions authorized to be performed by the National Guard by the laws of the State concerned.

"(j) DEFINITIONS.—For purposes of this section:

"(1) The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States.

"(2) The term 'national special security event' means an event designated as such as authorized by the President that, by virtue of its political, economic, social, or religious significance, may be the target of terrorism or other criminal activity.".

(b) CLERICAL AND CONFORMING AMENDMENTS.—

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

"116. Defense support of civil authorities.".

(2) Section 115(i)(13) of title 10, United States Code, is amended by inserting "or defense support of civil authorities under section 116 of such title" after "title 32".

SEC. 1043. IMPROVED AUTHORITY TO PROVIDE REWARDS FOR ASSISTANCE IN COMBATING TERRORISM.

(a) INCREASED AMOUNTS.—Section 127b of title 10, United States Code, is amended—

(1) in subsection (b), by striking "$200,000" and inserting "$5,000,000";

(2) in subsection (c)(1)(B), by striking "$50,000" and inserting "$1,000,000"; and

(3) in subsection (d)(2), by striking "$100,000" and inserting "$2,000,000".

(b) INVOLVEMENT OF ALLIED FORCES.—Such section is further amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting after "United States Government personnel" the following: ", or government personnel of allied forces participating in a combined operation with the armed forces,";

(B) in paragraph (1), by inserting after "armed forces" the following: ", or of allied forces participating in a combined operation with the armed forces,"; and

(C) in paragraph (2), by inserting after "armed forces" the following: ", or of allied forces participating in a combined operation with the armed forces"; and

(2) in subsection (c), by adding at the end the following:

"(3)(A) Subject to subparagraphs (B) and (C), an official who has authority delegated under paragraph (1) or

(2) may use that authority, acting through government personnel of allied forces, to offer and make rewards.

"(B) The Secretary of Defense shall prescribe policies and procedures for making rewards in the manner described in subparagraph (A), which shall include guidance for the accountability of funds used for making rewards in that manner. The policies and procedures shall not take effect until 30 days after the date on which the Secretary submits the policies and procedures to the congressional defense committees. Rewards may not be made in the manner described in subparagraph (A) except under policies and procedures that have taken effect.

"(C) Rewards may not be made in the manner described in subparagraph (A) after September 30, 2010.

"(D) Not later than April 1, 2008, the Secretary of Defense shall submit to the congressional defense committees a report on the implementation of this paragraph. The report shall identify each reward made in the manner described in subparagraph (A) and, for each such reward—

"(i) identify the type, amount, and recipient of the reward;

"(ii) explain the reason for making the reward; and

"(iii) assess the success of the reward in advancing the effort to combat terrorism.".

(c) ANNUAL REPORT TO INCLUDE SPECIFIC INFORMATION ON ADDITIONAL AUTHORITY.—Section 127b of title 10, United States Code, is further amended in subsection (f)(2) by adding at the end the following new subparagraph:

"(D) Information on the implementation of paragraph (3) of subsection (c).".

SEC. 1044. REVISION OF PROFICIENCY FLYING DEFINITION.

Subsection (c) of section 2245 of title 10, United States Code, is amended to read as follows:

"(c) In this section, the term 'proficiency flying' means flying performed under competent orders by a rated or designated member of the armed forces while serving in a non-aviation assignment or in an assignment in which skills would normally not be maintained in the performance of assigned duties.".

SEC. 1045. SUPPORT FOR NON-FEDERAL DEVELOPMENT AND TESTING OF MATERIAL FOR CHEMICAL AGENT DEFENSE.

(a) AUTHORITY TO PROVIDE TOXIC CHEMICALS OR PRECURSORS.—

(1) IN GENERAL.—The Secretary of Defense, in coordination with the heads of other elements of the Federal Government, may make available, to a State, a unit of local government, or a private entity incorporated in the United States, small quantities of a

toxic chemical or precursor for the development or testing, in the United States, of material that is designed to be used for protective purposes.

(2) TERMS AND CONDITIONS.—Any use of the authority under paragraph (1) shall be subject to such terms and conditions as the Secretary considers appropriate.

(b) PAYMENT OF COSTS AND DISPOSITION OF FUNDS.—

(1) IN GENERAL.—The Secretary shall ensure, through the advance payment required by paragraph (2) and through any other payments that may be required, that a recipient of toxic chemicals or precursors under subsection (a) pays for all actual costs, including direct and indirect costs, associated with providing the toxic chemicals or precursors.

(2) ADVANCE PAYMENT.—In carrying out paragraph (1), the Secretary shall require each recipient to make an advance payment in an amount that the Secretary determines will equal all such actual costs.

(3) CREDITS.—A payment received under this subsection shall be credited to the account that was used to cover the costs for which the payment was provided. Amounts so credited shall be merged with amounts in that account, and shall be available for

the same purposes, and subject to the same conditions and limitations, as other amounts in that account.

(c) CHEMICAL WEAPONS CONVENTION.—The Secretary shall ensure that toxic chemicals and precursors are made available under this section for uses and in quantities that comply with the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, signed at Paris on January 13, 1993, and entered into force with respect to the United States on April 29, 1997.

(d) DEFINITIONS.—In this section, the terms "precursor", "protective purposes", and "toxic chemical" have the meanings given those terms in the convention referred to in subsection (c), in paragraph 2, paragraph 9(b), and paragraph 1, respectively, of article II of that convention.

SEC. 1046. CONGRESSIONAL COMMISSION ON THE STRATEGIC POSTURE OF THE UNITED STATES.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the "Congressional Commission on the Strategic Posture of the United States". The purpose of the commission is to examine and make recommendations with respect to the long-term strategic posture of the United States.

(b) COMPOSITION.—

(1) MEMBERSHIP.—The commission shall be composed of 12 members appointed as follows:

(A) Three by the chairman of the Committee on Armed Services of the House of Representatives.

(B) Three by the ranking minority member of the Committee on Armed Services of the House of Representatives.

(C) Three by the chairman of the Committee on Armed Services of the Senate.

(D) Three by the ranking minority member of the Committee on Armed Services of the Senate.

(2) CHAIRMAN; VICE CHAIRMAN.—

(A) IN GENERAL.—The chairman of the Committee on Armed Services of the House of Representatives and the chairman of the Committee on Armed Services of the Senate shall jointly designate one member of the commission to serve as chairman of the commission and one member to serve as vice chairman.

(B) CONSULTATION.—The designations under subparagraph (A) shall be made in consultation with the ranking minority members of the committees described in that subparagraph.

(3) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the commission. Any vacancy in the commission shall be filled in the same manner as the original appointment.

(c) DUTIES.—

(1) REVIEW.—The commission shall conduct a review of the strategic posture of the United States, including a strategic threat assessment and a detailed review of nuclear weapons policy, strategy, and force structure.

(2) ASSESSMENT AND RECOMMENDATIONS.—

(A) ASSESSMENT.—The commission shall assess the benefits and risks associated with the current strategic posture and nuclear weapons policies of the United States.

(B) RECOMMENDATIONS.—The commission shall make recommendations as to the most appropriate strategic posture and most effective nuclear weapons strategy.

(d) COOPERATION FROM GOVERNMENT.—

(1) COOPERATION.—In carrying out its duties, the commission shall receive the full and timely cooperation of the Secretary of Defense, the Secretary of Energy, the Secretary of State, the Director of National Intelligence, and any other United States Gov-

ernment official in providing the commission with analyses, briefings, and other information necessary for the fulfillment of its responsibilities.

(2) LIAISON.—The Secretary of Defense, the Secretary of Energy, the Secretary of State, and the Director of National Intelligence shall each designate at least one officer or employee of the Department of Defense, the Department of Energy, the Department of State, and the intelligence community, respectively, to serve as a liaison officer between the department (or the intelligence community, as the case may be) and the commission.

(e) REPORT.—Not later than December 1, 2008, the commission shall submit to the President, the Secretary of Defense, the Secretary of Energy, the Secretary of State, the Committee on Armed Services of the Senate, and the Committee on Armed Services of the House of Representatives a report on the commission's findings, conclusions, and recommendations. The report shall identify the strategic posture and nuclear weapons strategy recommended under subsection (c)(2)(B) and shall include—

(1) the military capabilities and force structure necessary to support the strategy, including conventional means of providing global strike capabilities;

(2) the number of nuclear weapons required to support the strategy, including the number of replacement warheads required, if any;

(3) the appropriate qualitative analysis, including force-on-force exchange modeling, to calculate the effectiveness of the strategy under various scenarios;

(4) the nuclear infrastructure (that is, the size of the nuclear complex) required to support the strategy;

(5) an assessment of the role of missile defenses in the strategy;

(6) an assessment of the role of nonproliferation programs in the strategy;

(7) the political and military implications of the strategy for the United States and its allies; and

(8) any other information or recommendations relating to the strategy (or to the strategic posture) that the commission considers appropriate.

(f) FUNDING.—Of the amounts appropriated or otherwise made available pursuant to this Act to the Department of Defense, $5,000,000 is available to fund the activities of the commission.

(g) TERMINATION.—The commission shall terminate on June 1, 2009.

(h) CONFORMING REPEAL.—Section 1051 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163; 119 Stat. 3431) is repealed.

SEC. 1047. TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Chapter 3 is amended—

(A) by redesignating the section 127c added by section 1201(a) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2410) as section 127d and transferring that section so as to appear immediately after the section 127c added by section 1231(a) of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3467); and

(B) by revising the table of sections at the beginning of such chapter to reflect the redesignation and transfer made by paragraph (1).

(2) Section 629(d)(1) is amended by inserting a comma after "(a)".

(3) Section 637(b)(3) is amended by striking "section 1251(b)" and inserting "section 1253".

(4) Section 662(b) is amended by striking "paragraphs (1), (2), and (3) of subsection (a)" and inserting "paragraphs (1) and (2) of subsection (a)".

(5) Section 1034(b)(2) is amended by inserting "unfavorable" before "action" the second place it appears.

(6) Section 1076b(j) is amended—

(A) by striking "section 205(9)" and inserting "205(10)"; and

(B) by striking "1970)" and inserting "1970 (title II of Public Law 91–373; 26 U.S.C. 3304 note))".

(7) The table of sections at the beginning of chapter 137 is amended by striking the item relating to section 2333 and inserting the following new item:

"2333. Joint policies on requirements definition, contingency program management, and contingency contracting.".

(8) The table of sections at the beginning of chapter 141 is amended by inserting a period at the end of the item relating to section 2410p.

(9) The table of sections at the beginning of chapter 152 is amended by inserting a period at the end of the item relating to section 2567.

(10) Section 2583(e) is amended by striking "DOGS" and inserting "ANIMALS".

(11) Section 2668(e) is amended by striking "and (d)" and inserting "and (e)".

(12) Section 12304(a) is amended by striking the second period at the end.

(13) Section 14310(d)(1) is amended by inserting a comma after "(a)".

(b) TITLE 37, UNITED STATES CODE.—Section 302c(d)(1) of title 37, United States Code, is amended by striking "Services Corps" and inserting "Service Corps".

(c) JOHN WARNER NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2007.—Effective as of October 17, 2006, and as if included therein as enacted, the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364) is amended as follows:

(1) Section 333(a) (120 Stat. 2150) is amended—

(A) by striking "Section 332(c)" and inserting "Section 332"; and

(B) in paragraph (1), by inserting "in subsection (c)," after "(1)".

(2) Section 348(2) (120 Stat. 2159) is amended by striking "60 days of" and inserting "60 days after".

(3) Section 511(a)(2)(D)(i) (120 Stat. 2182) is amended by inserting a comma after "title".

(4) Section 591(b)(1) (120 Stat. 2233) is amended by inserting a period after "this title".

(5) Section 606(b)(1)(A) (120 Stat. 2246) is amended by striking "in" and inserting "In".

(6) Section 670(b) (120 Stat. 2269) is amended by striking "such title" and inserting "such chapter".

(7) Section 673 (120 Stat. 2271) is amended—

(A) in subsection (a)(1), by inserting "the second place it appears" before "and inserting";

(B) in subsection (b)(1)—

(i) by striking "Section" and inserting "Subsection (a) of section"; and

(ii) by inserting "the second place it appears" before "and inserting"; and

(C) in subsection (c)(1), by inserting "the second place it appears" before "and inserting".

(8) Section 842(a)(2) (120 Stat. 2337) is amended by striking "adding at the end" and inserting "inserting after the item relating to section 2533a".

(9) Section 1017(b)(2) (120 Stat. 2379; 10 U.S.C. 2631 note) is amended by striking "section 27" and all that follows through the period at the end and inserting "sections 12112 and 50501 and chapter 551 of title 46, United States Code.".

(10) Section 1071(f) (120 Stat. 2402) is amended by striking "identical" both places it appears.

(11) Section 1231(d) (120 Stat. 2430; 22 U.S.C. 2776a(d)) is amended by striking "note".

(12) Section 2404(b)(2)(A)(ii) (120 Stat. 2459) is amended by striking "2906 of such Act" and inserting "2906A of such Act".

(13) Section 2831 (120 Stat. 2480) is amended—

(A) by striking "Section 2667(d)" and inserting "Section 2667(e)"; and

(B) by inserting "as redesignated by section 662(b)(1) of this Act," after "Code,".

(d) PUBLIC LAW 109–366.—Effective as of October 17, 2006, and as if included therein as enacted, Public Law 109–366 is amended as follows:

(1) Section 8(a)(3) (120 Stat. 2636) is amended by inserting a semicolon after "subsection".

(2) Section 9(1) (120 Stat. 2636) is amended by striking "No. 1." and inserting "No. 1,".

(e) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2006.—Effective as of January 6, 2006, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163) is amended as follows:

(1) Section 571 (119 Stat. 3270) is amended by striking "931 et seq.)" and inserting "921 et seq.)".

(2) Section 1052(j) (119 Stat. 3435) is amended by striking "Section 1049" and inserting "Section 1409".

(f) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2004.—The National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136) is amended as follows:

(1) Section 706(a) (117 Stat. 1529; 10 U.S.C. 1076b note) is amended by striking "those program" and inserting "those programs".

(2) Section 1413(a) (117 Stat. 1665; 41 U.S.C. 433 note) is amended by striking "(A))" and inserting "(A)))".

(3) Section 1602(e)(3) (117 Stat. 1683; 10 U.S.C. 2302 note) is amended by inserting "Security" after "Health".

(g) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994.—Section 845(a) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended—

(1) in paragraph (2)(A), by inserting "Research" after "Defense Advanced"; and

(2) in paragraph (3), by inserting "Research" after "Defense Advanced".

(h) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—Section 722(a)(1) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 1073 note) is amended by striking "155 Stat." and inserting "115 Stat.".

SEC. 1048. REPEAL OF CERTIFICATION REQUIREMENT.

Section 1063 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3445) is repealed.

SEC. 1049. PROHIBITION ON SALE BY DEPARTMENT OF DEFENSE OF PARTS FOR F–14 FIGHTER AIRCRAFT.

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

(1) The Department of Defense is responsible for demilitarizing and auctioning off sensitive surplus United States military equipment.

(2) F–14 "Tomcat" fighter aircraft have recently been retired, and their parts are being made available by auction in large quantities.

(3) Iran is the only country, besides the United States, flying F–14 fighter aircraft and is purchasing surplus parts for such aircraft from brokers.

(4) The Government Accountability Office has, as a result of undercover investigative work, declared the acquisition of the surplus United States military equipment, including parts for F–14 fighter aircraft, to be disturbingly effortless.

(5) Upon the seizure of such sensitive surplus military equipment being sold to Iran, United States customs agents have discovered these same items, having been resold by the Department of Defense, being brokered illegally to Iran again.

(6) Iran is pursuing a nuclear weapons capability, and the Department of State has identified Iran as the most active state sponsor of terrorism.

(7) Iran continues to provide funding, safe haven, training, and weapons to known terrorist groups, including Hizballah, HAMAS, the Palestine Islamic Jihad, and the Popular Front for the Liberation of Palestine.

(8) The sale of spare parts for F–14 fighter aircraft could make it more difficult to confront the nuclear weapons capability of Iran and would strengthen the ground war capability of Iran. To prevent these threats to regional and global security, the sale of spare parts for F–14 fighter aircraft should be prohibited.

(b) PROHIBITION ON SALE BY DEPARTMENT OF DEFENSE.—

(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in paragraph (2), the Department of Defense may not sell (whether directly or indirectly) any parts for F–14 fighter aircraft, whether through the Defense Reutilization and Marketing Service or through another agency or element of the Department.

(2) EXCEPTION.—Paragraph (1) shall not apply with respect to the sale of parts for F–14 fighter aircraft to a museum or similar organization located in the United States that is involved in the preservation of F–14 fighter aircraft for historical purposes.

(c) PROHIBITION ON EXPORT LICENSE.—No license for the export of parts for F–14 fighter aircraft to a non-United States person or entity may be issued by the United States Government.

SEC. 1050. MAINTENANCE OF CAPABILITY FOR SPACE-BASED NUCLEAR DETECTION.

The Secretary of Defense shall maintain the capability for space-based nuclear detection at a level that meets or exceeds the level of capability as of the date of the enactment of this Act.

SEC. 1051. ADDITIONAL WEAPONS OF MASS DESTRUCTION CIVIL SUPPORT TEAMS.

Section 1403(a) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (10 U.S.C. 12310 note) is amended—

(1) in paragraph (1)—

(A) by striking "23" and inserting "25"; and

(B) by striking "55" and inserting "57"; and

(2) in paragraph (2), by striking "55" and inserting "57".

SEC. 1052. SENSE OF CONGRESS REGARDING NEED TO REPLACE ARMY M109 155MM SELF-PROPELLED HOWITZER.

(a) FINDINGS.—Congress finds the following:

(1) Military historians recognize the M109 155mm self-propelled howitzer as a pioneer of the configuration of modern mechanized artillery.

(2) The M109 was first used by the Army in combat during the Vietnam War.

(3) The Marine Corps also made use of the M109 during the Vietnam War, primarily in defensive ways similar to the Army.

(4) The Army adapted the M109 for use during the Gulf War, adding capability for more lethal DPICM rounds.

(5) The M109 has most recently demonstrated its usefulness in Operation Iraqi Freedom, dependably placing rounds downrange about two minutes after obtaining its mission.

(b) SENSE OF CONGRESS.—It is the sense of Congress that, while the M109 155mm self-propelled howitzer has been a dependable military weapon for 40 years and recognizing the budgeting challenges facing the Armed Forces, the Army—

(1) has not been timely in procuring a replacement for the M109; and

(2) should transition to the NLOS-C as the replacement for the M109.

SEC. 1053. SENSE OF CONGRESS REGARDING DETAINEES AT NAVAL STATION, GUANTANAMO BAY, CUBA.

It is the sense of Congress that—

(1) the Nation extends its gratitude to the military personnel who guard and interrogate some of the world's most dangerous men every day at Naval Station, Guantanamo Bay, Cuba;

(2) the international community, in general, and in particular, the home countries of the detainees who

remain in detention despite having been ordered released by a Department of Defense administrative review board, should work with the Department of Defense to facilitate and expedite the repatriation of such detainees;

(3) detainees at Guantanamo Bay, to the maximum extent possible, should be charged and expeditiously prosecuted for crimes committed against the United States; and

(4) operations at Guantanamo Bay should be carried out in a way that upholds the national interest and core values of the American people.

SEC. 1054. REPEAL OF PROVISIONS IN SECTION 1076 OF PUBLIC LAW 109–364 RELATING TO USE OF ARMED FORCES IN MAJOR PUBLIC EMERGENCIES.

(a) INTERFERENCE WITH STATE AND FEDERAL LAWS.—

(1) IN GENERAL.—Section 333 of title 10, United States Code, is amended to read as follows:

"§ 333. Interference with State and Federal law

"The President, by using the militia or the armed forces, or both, or by any other means, shall take such measures as he considers necessary to suppress, in a State, any

insurrection, domestic violence, unlawful combination, or conspiracy, if it—

"(1) so hinders the execution of the laws of that State, and of the United States within the State, that any part or class of its people is deprived of a right, privilege, immunity, or protection named in the Constitution and secured by law, and the constituted authorities of that State are unable, fail, or refuse to protect that right, privilege, or immunity, or to give that protection; or

"(2) opposes or obstructs the execution of the laws of the United States or impedes the course of justice under those laws.

In any situation covered by clause (1), the State shall be considered to have denied the equal protection of the laws secured by the Constitution.".

(2) PROCLAMATION TO DISPERSE.—Section 334 of such title is amended by striking "or those obstructing the enforcement of the laws" after "insurgents".

(3) HEADING AMENDMENT.—The heading of chapter 15 of such title is amended to read as follows:

"CHAPTER 15—INSURRECTION".

(4) CLERICAL AMENDMENTS.—

(A) The table of sections at the beginning of chapter 15 of such title is amended by striking

the item relating to section 333 and inserting the following new item:

"333. Interference with State and Federal law.".

(B) The tables of chapters at the beginning of subtitle A of title 10, United States Code, and at the beginning of part I of such subtitle, are each amended by striking the item relating to chapter 15 and inserting the following new item:

"15. Insurrection ..... 331".

(b) REPEAL OF SECTION RELATING TO PROVISION OF SUPPLIES, SERVICES, AND EQUIPMENT.—

(1) IN GENERAL.—Section 2567 of title 10, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 152 of such title is amended by striking the item relating to section 2567.

(c) CONFORMING AMENDMENT.—Section 12304(c) of such title is amended by striking "Except to perform" and all that follows through "this section" and inserting "No unit or member of a reserve component may be ordered to active duty under this section to perform any of the functions authorized by chapter 15 or section 12406 of this title or, except as provided in subsection (b),".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

TITLE XI—CIVILIAN PERSONNEL MATTERS

Sec. 1101. Compensation for Federal wage system employees for certain travel hours.
Sec. 1102. Special benefits for civilian employees assigned on deployment temporary change of station.
Sec. 1103. Accumulation of annual leave by senior level employees.
Sec. 1104. Travel compensation for wage grade personnel.
Sec. 1105. Death gratuity authorized for Federal employees.
Sec. 1106. Modifications to the National Security Personnel System.
Sec. 1107. Annuity commencing dates.
Sec. 1108. Flexibility in setting pay for employees who move from a Department of Defense or Coast Guard nonappropriated fund instrumentality position to a position in the General Schedule pay system.
Sec. 1109. Transportation of dependents, household effects, and personal property to former home following death of Federal employee where death resulted from disease or injury incurred in a combat zone.
Sec. 1110. Use of leave transfer program by wounded veterans who are Federal employees.
Sec. 1111. Requirement for full implementation of personnel demonstration project.

SEC. 1101. COMPENSATION FOR FEDERAL WAGE SYSTEM EMPLOYEES FOR CERTAIN TRAVEL HOURS.

Clause (iv) of section 5544(a) of title 5, United States Code, is amended by striking "administratively." and inserting "administratively (including travel by such employee to such event and the return of such employee from such event to his or her official duty station).".

SEC. 1102. SPECIAL BENEFITS FOR CIVILIAN EMPLOYEES ASSIGNED ON DEPLOYMENT TEMPORARY CHANGE OF STATION.

(a) AUTHORITY.—Subchapter II of chapter 57 of title 5, United States Code, is amended by inserting after section 5737 the following:

"§ 5737a. Employees temporarily deployed in contingency operations

"(a) DEFINITIONS.—For purposes of this section—

"(1) the term 'covered employee' means an individual who—

"(A) is an employee of an Executive agency or a military department, excluding a Government controlled corporation; and

"(B) is assigned on a temporary change of station in support of a contingency operation;

"(2) the term 'temporary change of station', as used with respect to an employee, means an assignment—

"(A) from the employee's official duty station to a temporary duty station; and

"(B) for which such employee is eligible for expenses under section 5737; and

"(3) the term 'contingency operation' has the meaning given such term by section 1482a(c) of title 10.

"(b) QUARTERS AND RATIONS.—The head of an agency may provide quarters and rations, without charge, to any covered employee of such agency during the period of such employee's temporary assignment (as described in subsection (a)(1)(B)).

"(c) STORAGE OF MOTOR VEHICLE.—The head of an agency may provide for the storage, without charge, or for the reimbursement of the cost of storage, of a motor vehicle that is owned or leased by a covered employee of such agency (or by a dependent of such an employee) and that is for the personal use of the covered employee. This subsection shall apply—

"(1) with respect to storage during the period of the employee's temporary assignment (as described in subsection (a)(1)(B)) and, notwithstanding section 5737(b), for such additional period of time as the agency head may determine; and

"(2) in the case of a covered employee, with respect to not more than one motor vehicle as of any given time.

"(d) RELATIONSHIP TO OTHER BENEFITS.—Any benefits under this section shall be in addition to (and not in lieu of) any other benefits for which the covered employee is otherwise eligible.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 57 of such title is amended by inserting after the item relating to section 5737 the following:

"5737a. Employees temporarily deployed in contingency operations.".

SEC. 1103. ACCUMULATION OF ANNUAL LEAVE BY SENIOR LEVEL EMPLOYEES.

Section 6304(f)(1) of title 5, United States Code, is amended—

(1) in the matter before subparagraph (A), by striking "in a position in—" and inserting "in—";

(2) in subparagraphs (A) through (E), by inserting "a position in" before "the";

(3) in subparagraph (D), by striking "or" at the end;

(4) in subparagraph (E), by striking the period at the end and inserting a semicolon; and

(5) by adding after subparagraph (E) the following:

"(F) a position to which section 5376 applies; or

"(G) a position designated under section 1607(a) of title 10 as an Intelligence Senior Level position.".

SEC. 1104. TRAVEL COMPENSATION FOR WAGE GRADE PERSONNEL.

(a) ELIGIBILITY FOR COMPENSATORY TIME OFF FOR TRAVEL.—Section 5550b(a) of title 5, United States Code, is amended by striking "section 5542(b)(2)," and inserting "any provision of section 5542(b)(2) or 5544(a),".

(b) CONFORMING AMENDMENT.—Section 5541(2)(xi) of such title is amended by striking "section 5544" and inserting "section 5544 or 5550b".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the earlier of—

(1) the effective date of any regulations prescribed to carry out such amendments; or

(2) the 90th day after the date of the enactment of this Act.

SEC. 1105. DEATH GRATUITY AUTHORIZED FOR FEDERAL EMPLOYEES.

(a) DEATH GRATUITY AUTHORIZED.—Chapter 81 of title 5, United States Code, is amended by inserting after section 8102 the following new section:

"§ 8102a. Death gratuity for injuries incurred in connection with employee's service with an Armed Force

"(a) DEATH GRATUITY AUTHORIZED.—The United States shall pay a death gratuity of $100,000 to or for the survivor prescribed by subsection (d) immediately upon receiving official notification of the death of an employee who dies of injuries incurred in connection with the employee's service with an Armed Force in a contingency operation, or who dies of injuries incurred in connection with a ter-

rorist incident occurring during the employee's service with an Armed Force.

"(b) RETROACTIVE PAYMENT IN CERTAIN CASES.—Subsection (a) applies in the case of an employee who dies on or after October 7, 2001, as a result of injuries incurred in connection with the employee's service with an Armed Force in the theater of operations of Operation Enduring Freedom or Operation Iraqi Freedom.

"(c) OTHER BENEFITS.—The death gratuity payable under this section is in addition to any death benefits otherwise provided for in law.

"(d) ELIGIBLE SURVIVORS.—

"(1) Subject to paragraph (5), a death gratuity payable upon the death of a person covered by subsection (a) shall be paid to or for the living survivor highest on the following list:

"(A) The employee's surviving spouse.

"(B) The employee's children, as prescribed by paragraph (2), in equal shares.

"(C) If designated by the employee, any one or more of the following persons:

"(I) The employee's parents or persons in loco parentis, as prescribed by paragraph (3).

"(ii) The employee's brothers.

"(iii) The employee's sisters.

"(D) The employee's parents or persons in loco parentis, as prescribed by paragraph (3), in equal shares.

"(E) The employee's brothers and sisters in equal shares.

Subparagraphs (C) and (E) of this paragraph include brothers and sisters of the half blood and those through adoption.

"(2) Paragraph (1)(B) applies, without regard to age or marital status, to—

"(A) legitimate children;

"(B) adopted children;

"(C) stepchildren who were a part of the decedent's household at the time of death;

"(D) illegitimate children of a female decedent; and

"(E) illegitimate children of a male decedent—

"(I) who have been acknowledged in writing signed by the decedent;

"(ii) who have been judicially determined, before the decedent's death, to be his children;

"(iii) who have been otherwise proved, by evidence satisfactory to the employing agency, to be children of the decedent; or

"(iv) to whose support the decedent had been judicially ordered to contribute.

"(3) Subparagraphs (C) and (D) of paragraph (1), so far as they apply to parents and persons in loco parentis, include fathers and mothers through adoption, and persons who stood in loco parentis to the decedent for a period of not less than one year at any time before the decedent became an employee. However, only one father and one mother, or their counterparts in loco parentis, may be recognized in any case, and preference shall be given to those who exercised a parental relationship on the date, or most nearly before the date, on which the decedent became an employee.

"(4) Beginning on the date of the enactment of this paragraph, a person covered by this section may designate another person to receive not more than 50 percent of the amount payable under this section. The designation shall indicate the percentage of the amount, to be specified only in 10 percent increments up to the maximum of 50 percent, that the designated person may receive. The balance of the amount of the

death gratuity shall be paid to or for the living survivors of the person concerned in accordance with subparagraphs (A) through (E) of paragraph (1).

"(5) If a person entitled to all or a portion of a death gratuity under paragraph (1) or (4) dies before the person receives the death gratuity, it shall be paid to the living survivor next in the order prescribed by paragraph (1).

"(e) DEFINITIONS.—(1) The term 'contingency operation' has the meaning given to that term in section 1482a(c) of title 10, United States Code.

"(2) The term 'employee' has the meaning provided in section 8101 of this title, but also includes a nonappropriated fund instrumentality employee, as defined in section 1587(a)(1) of title 10.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 81 of such title is amended by inserting after the item relating to section 8102 the following new item:

"8102a. Death gratuity for injuries incurred in connection with employee's service with an Armed Force.".

SEC. 1106. MODIFICATIONS TO THE NATIONAL SECURITY PERSONNEL SYSTEM.

(a) IN GENERAL.—Section 9902 of title 5, United States Code, is amended—

(1) in subsection (a), by striking "Notwithstanding any other provision of this part, the" and inserting "The";

(2) in subsection (b)(4)—

(A) by striking "collectively as provided for in this chapter," and inserting "collectively,"; and

(B) by striking "the provisions of this chapter and";

(3) in subsection (b)(6), by striking subparagraph (I) and inserting the following:

"(I) A pay-for-performance evaluation system to reward individual or group performance. Any such system—

"(i) shall be based on an equitable method for appraising and compensating employees;

"(ii) shall ensure that rates of pay (including those described in subchapter IV of chapter 53 and those payable to employees paid from nonappropriated funds) are adjusted at the same time and by the same percentages as would be required under sections 5303 through 5304a for rates subject to those sections, except that no such adjust-

ment may be made if or to the extent that the resulting rate would exceed the maximum rate allowable under such system;

"(iii) may not be implemented before the requirements described in section 4703(b) have been met by the Secretary and the Director jointly with respect to such system;

"(iv) may not provide for any waiver with respect to such system that would not be allowable under any paragraph of section 4703(c); and

"(v) shall be subject to the provisions of subsections (f) and (g) of section 4703.";

(4) in subsection (c)(1), by striking "October 1, 2008" each place it appears and inserting "October 1, 2011";

(5) in subsection (d)—

(A) in the matter before paragraph (1), by striking "are (to the extent not otherwise specified in this title)—" and inserting "are—"; and

(B) in paragraph (2), by inserting "43," after "41," and by inserting "75, 77," after "73,";

(6) in subsection (e)(3), by striking the period at the end and inserting ", except as provided in subsection (b)(6)(I)(ii).";

(7) in subsection (f)(4), strike "The" and insert "Subject to subsection (d)(2), the";

(8) in subsection (g)—

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

"(2) The decision to bargain at a level above the level of exclusive recognition shall be mutually agreed to by the Secretary and the labor organization at an organizational level above the level of exclusive recognition.";

(B) in paragraph (3), by striking "are excluded from" and inserting "may be included in"; and

(C) by striking paragraph (4); and

(9) by striking subsections (h), (k), and (m) and redesignating subsections (i), (j), and (l) as subsections (h), (i), and (j), respectively.

(b) SAVINGS PROVISION.—Any rate of pay which is in effect with respect to an employee immediately before this section takes effect, and which was determined under a performance management system established under section 9902(b)(6) of title 5, United States Code, shall remain in effect until—

(1) such rate is modified, superseded, or rendered inapplicable—

(A) in accordance with such system, as last in effect before this section takes effect; or

(B) in accordance with a system established under such section 9902(b)(6), as amended by this section (hereinafter referred to as a "successor system"); or

(2) such employee otherwise ceases to be covered by such system (as described in paragraph (1)(A)), whether by transferring to a position not covered by the system (as so described) or otherwise.

The performance management system (as described in paragraph (1)(A)) shall remain in effect, in accordance with its terms, until all employees who, immediately before this section takes effect, are subject to the system (as so described) have either become subject to a successor system or have otherwise ceased to be covered by the system (as so described). Such system (as so described) shall not apply in the case of any employee, or during any period of time, not described in the preceding sentence.

SEC. 1107. ANNUITY COMMENCING DATES.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8345(b)(1) of title 5, United States Code, is amended by

striking "the first day of the month after" both places it appears and inserting "the day after".

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8464(a) of such title is amended to read as follows:

"(a) Except as otherwise provided in this chapter—

"(1) an annuity payable from the Fund commences on the day after—

"(A) separation from the service, in the case of an employee or Member retiring under section 8412 or 8414; or

"(B) pay ceases, and the applicable age and service requirements are met, in the case of an employee or Member retiring under section 8413; and

"(2) an annuity payable from the Fund commences on the day after separation from the service or the day after pay ceases and the requirements for title to an annuity are met in the case of an employee or Member retiring under section 8451.".

SEC. 1108. FLEXIBILITY IN SETTING PAY FOR EMPLOYEES WHO MOVE FROM A DEPARTMENT OF DEFENSE OR COAST GUARD NONAPPROPRIATED FUND INSTRUMENTALITY POSITION TO A POSITION IN THE GENERAL SCHEDULE PAY SYSTEM.

The first sentence of section 5334(f) of title 5, United States Code, is amended by striking "any step of such grade that does not exceed the highest previous rate of basic pay received by that employee during the employee's service described in section 2105(c)." and inserting "any step of such grade that does not exceed—

"(1) if the highest previous rate of basic pay received by that employee during the employee's service described in section 2105(c) is equal to a rate of the appropriate grade, such rate of the appropriate grade;

"(2) if the employee's highest previous rate of basic pay (as described in paragraph (1)) is between two rates of the appropriate grade, the higher of those two rates; or

"(3) if the employee's highest previous rate of basic pay (as described in paragraph (1)) exceeds the maximum rate of the appropriate grade, the maximum rate of the appropriate grade.".

SEC. 1109. TRANSPORTATION OF DEPENDENTS, HOUSEHOLD EFFECTS, AND PERSONAL PROPERTY TO FORMER HOME FOLLOWING DEATH OF FEDERAL EMPLOYEE WHERE DEATH RESULTED FROM DISEASE OR INJURY INCURRED IN A COMBAT ZONE.

(a) IN GENERAL.—Section 5742 of title 5, United States Code, is amended by adding at the end the following:

"(f)(1) The benefits of subsection (b)(2) may not be denied, solely because the dependents were residing within the continental United States when the employee died, if such employee died as a result of disease or injury incurred while holding a position or performing one or more functions in support of military operations of the United States in a combat zone.

"(2) For purposes of paragraph (1)—

"(A) the term 'continental United States' has the meaning given such term by section 5721(3); and

"(B) the term 'combat zone' has the meaning given such term by section 1580 of title 10.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to deaths occurring on or after the date of the enactment of this Act.

SEC. 1110. USE OF LEAVE TRANSFER PROGRAM BY WOUNDED VETERANS WHO ARE FEDERAL EMPLOYEES.

(a) IN GENERAL.—Section 6333(b) of title 5, United States Code, is amended—

(1) by striking "A leave" and inserting "(1) Except as provided in paragraph (2), a leave"; and

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

"(2) The requirement to exhaust annual leave and sick leave under paragraph (1) shall not apply in the case of a leave recipient who, while a member of the Armed Forces, including a member of the National Guard or a Reserve, sustained a combat-related disability (as defined in section 1413a(e) of title 10) and is undergoing medical treatment (as defined by the Office of Personnel Management) for that combat-related disability. The preceding sentence shall apply to a member described in that sentence only so long as the member continues to undergo medical treatment for the disability, but in no case for more than five years.".

SEC. 1111. REQUIREMENT FOR FULL IMPLEMENTATION OF PERSONNEL DEMONSTRATION PROJECT.

(a) REQUIREMENT.—The Secretary of Defense shall take all necessary actions to fully implement and use the authorities provided to the Secretary under section 342(b) of the National Defense Authorization Act for Fiscal Year

1995 (Public Law 103–337; 108 Stat. 2721), as amended by section 1114 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–315), to carry out personnel management demonstration projects at Department of Defense laboratories that are exempted by section 9902(c) of title 5, United States Code, from inclusion in the Department of Defense National Security Personnel System.

(b) EXPANDED AUTHORITY FOR DIRECTORS.—The Secretary of Defense shall also implement a process and implementation plan to expand the authorities provided to the laboratories described in subsection (a) to provide the research laboratory directors enhanced ability to make program, funding, personnel, and other decisions that are necessary to carry out the mission of the laboratory.

(c) OTHER LABORATORIES.—Any flexibility available to any demonstration laboratory shall be available for use at any other laboratory as enumerated in section 9902(c)(2) of title 5, United States Code.

(d) SUBMISSION OF LIST AND DESCRIPTION.—Not later than March 1 of each year, beginning with March 1, 2008, the Secretary of Defense shall submit to Congress a list and description of the demonstration project notices, amendments, and changes requested by the laboratories dur-

1 *ing the preceding calendar year. The list shall include all*
2 *approved and disapproved notices, amendments, and*
3 *changes, and the reasons for disapproval or delay in ap-*
4 *proval.*

5 *TITLE XII—MATTERS RELATING* 6 *TO FOREIGN NATIONS*

Subtitle A—Assistance and Training

Sec. 1201. Military-to-military contacts and comparable activities.
Sec. 1202. Authority for support of military operations to combat terrorism.
Sec. 1203. Medical care and temporary duty travel expenses for liaison officers of certain foreign nations.
Sec. 1204. Extension and expansion of Department of Defense authority to participate in multinational military centers of excellence.
Sec. 1205. Reauthorization of Commanders' Emergency Response Program.
Sec. 1206. Expansion of program to build the capacity of foreign military forces to include Pakistan's other security forces.
Sec. 1207. Authority to provide assistance to foreign nations to assist in recovery and accounting activities for missing United States Government personnel.
Sec. 1208. Authority to provide automatic identification system data on maritime shipping to foreign countries and international organizations.
Sec. 1209. Report on foreign assistance-related programs, projects, and activities carried out by the Department of Defense.

Subtitle B—Matters Relating to Iraq

Sec. 1221. Modification of authorities relating to the Special Inspector General for Iraq Reconstruction.
Sec. 1222. Continuation of prohibition on establishment of permanent military installations in Iraq or United States control over oil resources of Iraq.
Sec. 1223. Report on Department of Defense efforts to build the capacity of the Government of Iraq to carry out reconstruction activities in Iraq.
Sec. 1224. Report on implementation of Multi-National Forces–Iraq/United States Embassy Baghdad Joint Campaign Plan and efforts to achieve political reform in Iraq.
Sec. 1225. Report on training of the Iraqi Security Forces.
Sec. 1226. Sense of Congress on responsibilities of the Iraqi Council of Representatives to enact laws to achieve political reform and diminish support for the insurgency in Iraq.

Subtitle C—Matters Relating to Afghanistan

Sec. 1231. Special Inspector General for Afghanistan Reconstruction.
Sec. 1232. Report on progress toward security and stability in Afghanistan.

Sec. 1233. Report on progress of the Department of Defense's counter-narcotics program for Afghanistan.
Sec. 1234. United States plan for sustaining the Afghanistan National Security Forces.

Subtitle D—Other Matters

Sec. 1241. Cooperative research and development agreements: NATO organizations; allied and friendly foreign countries.
Sec. 1242. Extension of Counterproliferation Program Review Committee.
Sec. 1243. Sense of Congress concerning the Western Hemisphere Institute for Security Cooperation.
Sec. 1244. Sense of Congress concerning the strategic military capabilities and intentions of the People's Republic of China.

Subtitle A—Assistance and Training

SEC. 1201. MILITARY-TO-MILITARY CONTACTS AND COMPARABLE ACTIVITIES.

Section 168(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(9) The assignment of personnel described in paragraph (3) or (4) on a non-reciprocal basis if the Secretary of Defense determines that such an assignment, rather than an exchange of personnel, is in the interests of the United States.".

SEC. 1202. AUTHORITY FOR SUPPORT OF MILITARY OPERATIONS TO COMBAT TERRORISM.

(a) MODIFICATION OF REPORTING REQUIREMENT.—Subsection (f) of section 1208 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 2086–2087) is amended to read as follows:

"(f) ANNUAL REPORT.—

"(1) REPORT REQUIRED.—Not later than 120 days after the close of each fiscal year during which subsection (a) is in effect, the Secretary of Defense shall submit to the congressional defense committees a report on support provided under that subsection during that fiscal year.

"(2) MATTERS TO BE INCLUDED.—Each report required by paragraph (1) shall describe the support provided, including—

"(A) the country involved in the activity, the individual or force receiving the support, and, to the maximum extent practicable, the specific region of each country involved in the activity;

"(B) the respective dates and a summary of congressional notifications for each activity;

"(C) the unified commander for each activity, as well as the related objectives, as established by that commander;

"(D) the total amount obligated to provide the support;

"(E) for each activity that amounts to more than $500,000, specific budget details that explain the overall funding level for that activity; and

"(F) a statement providing a brief assessment of the outcome of the support, including specific indications of how the support furthered the mission objective of special operations forces and the types of follow-on support, if any, that may be necessary.".

(b) ANNUAL LIMITATION.—Subsection (g) of such section is amended—

(1) in the heading, by striking "FISCAL YEAR 2005" and inserting "ANNUAL"; and

(2) by striking "fiscal year 2005" and inserting "each fiscal year during which subsection (a) is in effect".

(c) EXTENSION OF PERIOD OF AUTHORITY.—Subsection (h) of such section is amended by striking "2007" and inserting "2010".

SEC. 1203. MEDICAL CARE AND TEMPORARY DUTY TRAVEL EXPENSES FOR LIAISON OFFICERS OF CERTAIN FOREIGN NATIONS.

(a) AUTHORITY.—Subsection (a) of section 1051a of title 10, United States Code, is amended—

(1) by striking "involved in a coalition" and inserting "involved in a military operation"; and

(2) by striking "coalition operation" and inserting "military operation".

(b) MEDICAL CARE AND TEMPORARY DUTY TRAVEL EXPENSES.—Subsection (b) of such section is amended—

(1) in the heading, by striking "AND SUBSISTENCE" inserting ", SUBSISTENCE, AND MEDICAL CARE";

(2) in paragraph (2), by adding at the end the following:

"(C) Expenses for medical care at a civilian medical facility if—

"(i) adequate medical care is not available to the liaison officer at a local military medical treatment facility;

"(ii) the Secretary determines that payment of such medical expenses is necessary and in the best interests of the United States; and

"(iii) medical care is not otherwise available to the liaison officer pursuant to any treaty or other international agreement."; and

(3) by adding at the end the following:

"(3) The Secretary may pay the mission-related travel expenses of a liaison officer described in subsection (a) if such travel is in support of the national interests of the United States and the commander of the headquarters to which the liaison officer is tempo-

rarily assigned directs round-trip travel from the assigned headquarters to one or more locations.".

(c) DEFINITION.—Subsection (d) of such section is amended—

(1) by striking "(d) DEFINITIONS.—" and all that follows through "(1) The term" and inserting "(d) DEFINITION.—In this section, the term"; and

(2) by striking paragraph (2).

(d) EXPIRATION OF AUTHORITY.—Such section is further amended by striking subsection (e).

(e) CONFORMING AND CLERICAL AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 1051a. Liaison officers of certain foreign nations; administrative services and support; travel, subsistence, medical care, and other personal expenses".

(2) The table of sections at the beginning of chapter 53 of title 10, United States Code, is amended by striking the item relating to section 1051a and inserting the following:

"1051a. Liaison officers of certain foreign nations; administrative services and support; travel, subsistence, medical care, and other personal expenses.".

SEC. 1204. EXTENSION AND EXPANSION OF DEPARTMENT OF DEFENSE AUTHORITY TO PARTICIPATE IN MULTINATIONAL MILITARY CENTERS OF EXCELLENCE.

(a) EXTENSION OF AUTHORITY.—Subsection (a) of section 1205 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 1202 Stat. 2416) is amended by striking "fiscal year 2007" and inserting "fiscal years 2007 and 2008".

(b) APPROVAL OF CENTERS.—Subsection (c)(1) of such section is amended—

(1) by striking "the Military Committee of the North Atlantic Treaty Organization (NATO)" and inserting "the Department of Defense"; and

(2) by striking "for the benefit of NATO".

(c) LIMITATION ON AMOUNTS AVAILABLE FOR PARTICIPATION.—Subsection (e) of such section is amended by striking paragraph (2) and inserting the following new paragraph:

"(2) LIMITATION ON AMOUNT.—The amount available under paragraph (1)(A) for the expenses referred to in that paragraph may not exceed—

"(A) in fiscal year 2007, $3,000,000; and

"(B) in fiscal year 2008, $5,000,000.".

(d) REPORTS.—Subsection (g) of such section is amended—

(1) in paragraph (1)—

(A) by inserting "and October 31, 2008," after "October 31, 2007,"; and

(B) by striking "fiscal year 2007" and inserting "fiscal years 2007 and 2008"; and

(2) in paragraph (2)(A), by striking "during fiscal year 2007" and inserting "during the preceding fiscal year".

SEC. 1205. REAUTHORIZATION OF COMMANDERS' EMERGENCY RESPONSE PROGRAM.

(a) AUTHORITY.—Subsection (a) of section 1202 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3455–3456) is amended—

(1) in the heading, by striking "FISCAL YEARS 2006 AND 2007" and inserting "FISCAL YEARS 2008 AND 2009"; and

(2) by striking "fiscal years 2006 and 2007" and inserting "fiscal years 2008 and 2009".

(b) QUARTERLY REPORTS.—Subsection (b) of such section is amended by striking "fiscal years 2006 and 2007" and inserting "fiscal years 2008 and 2009".

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2007.

SEC. 1206. EXPANSION OF PROGRAM TO BUILD THE CAPACITY OF FOREIGN MILITARY FORCES TO INCLUDE PAKISTAN'S OTHER SECURITY FORCES.

(a) AUTHORITY.—Subsection (a) of section 1206 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3456–3458), as amended by section 1206 of the John Warner National Defense Authorization Act of Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2418), is amended—

(1) by striking "The Secretary of Defense" and inserting the following:

"(1) IN GENERAL.—The Secretary of Defense";

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

(3) by adding at the end the following:

"(2) ADDITIONAL AUTHORITY TO BUILD THE CAPACITY OF PAKISTAN'S OTHER SECURITY FORCES.—The Secretary of Defense, with the concurrence of the Secretary of State, may use the authority in paragraph (1) to provide assistance to build the capacity of a Pakistan's other security forces that are critical to the success of counterterrorist operations, such as forces responsible for border protection and interdiction (including forces that guard coastal waters) and internal security forces specifically responsible for

counterterrorism operations, in order for Pakistan to conduct the operations described in paragraph (1)(A).".

(b) CONGRESSIONAL NOTIFICATION; SPECIFIED CONGRESSIONAL COMMITTEES.—Subsection (e) of such section is amended—

(1) in paragraph (1)—

(A) by striking "Whenever" and inserting the following:

"(A) IN GENERAL.—Whenever"; and

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

"(B) NOTIFICATION RELATING TO AUTHORITY TO BUILD THE CAPACITY OF PAKISTAN'S OTHER SECURITY FORCES.—Not less than 30 days prior to the obligation or expenditure of funds to carry out any activities under subsection (a)(2), the Secretary of Defense shall notify the congressional committees specified in paragraph (3) of such proposed obligation or expenditure."; and

(2) in paragraph (3)(B), by striking "Committee on International Relations" and inserting "Committee on Foreign Affairs".

(c) REPORT.—Paragraphs (1), (2), and (3) of subsection (f) of such section are each amended by inserting "or Pakistan's other security forces" after "foreign military forces".

*(d) CONFORMING AND CLERICAL AMENDMENTS.—(1) The heading for such section is amended by adding at the end before the period the following: "**AND PAKISTAN'S OTHER SECURITY FORCES**".*

(2) The table of contents in section 2(b) of the National Defense Authorization Act for Fiscal Year 2006 and the table of sections at the beginning of title XII of such Act are each amended by striking the item relating to section 1206 and inserting the following:

"Sec. 1206. Authority to build the capacity of foreign military forces and Pakistan's other security forces.".

SEC. 1207. AUTHORITY TO PROVIDE ASSISTANCE TO FOREIGN NATIONS TO ASSIST IN RECOVERY AND ACCOUNTING ACTIVITIES FOR MISSING UNITED STATES GOVERNMENT PERSONNEL.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Defense, with the concurrence of the Secretary of State, is authorized to provide assistance to foreign nations to assist the Department of Defense in recovery and accounting activities for missing United States Government personnel.

(b) TYPES OF ASSISTANCE.—Assistance authorized under subsection (a) may include the provision of equip-

ment, supplies, services, training, and funding to foreign nations to assist in recovery and accounting activities described in such subsection. The authority to provide assistance under subsection (a) is in addition to any other authority to provide assistance to foreign nations for such purposes.

(c) LIMITATION.—Assistance authorized under subsection (a) may not exceed $1,000,000 in any fiscal year.

SEC. 1208. AUTHORITY TO PROVIDE AUTOMATIC IDENTIFICATION SYSTEM DATA ON MARITIME SHIPPING TO FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS.

(a) AUTHORITY TO PROVIDE DATA.—The Secretary of Defense, with the concurrence of the Secretary of State, may authorize the Secretary of a military department or a commander of a combatant command to exchange or furnish automatic identification system data broadcast by merchant or private ships and collected by the United States to a foreign country or international organization pursuant to an agreement for the exchange or production of such data. Such data may be transferred pursuant to this section without cost to the recipient country or international organization.

(b) DEFINITIONS.—In this section:

(1) AUTOMATIC IDENTIFICATION SYSTEM.—The term "automatic identification system" means a system that is used to satisfy the requirements of the Automatic Identification System under the International Convention for the Safety of Life at Sea, signed at London on November 1, 1974 (TIAS 9700).

(2) GEOGRAPHIC COMBATANT COMMANDER.—The term "commander of a combatant command" means a commander of a combatant command (as such term is defined in section 161(c) of title 10, United States Code) with a geographic area of responsibility.

SEC. 1209. REPORT ON FOREIGN ASSISTANCE-RELATED PROGRAMS, PROJECTS, AND ACTIVITIES CARRIED OUT BY THE DEPARTMENT OF DEFENSE.

(a) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the appropriate congressional committees a report that contains a description of all foreign assistance-related programs, projects, and activities carried out by the Department of Defense during the prior fiscal year pursuant to any provision of law that authorizes or appropriates funds for such programs, projects, and activities.

(b) MATTERS TO BE INCLUDED.—The report required by subsection (a) shall include information on a country-

by-country basis of each foreign assistance–related program, project, or activity of the Department of Defense and each foreign-assistance related program, project, or activity that the Department of Defense undertakes or implements on behalf of any other department or agency of the United States Government, such as a program, project, or activity under the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) or the Arms Export Control Act (22 U.S.C. 2751 et seq.).

(c) DEFINITION.—In this section, the term "appropriate congressional committees" means—

(1) the Committee on Appropriations, the Committee on Armed Services, and the Committee on Foreign Affairs of the House of Representatives; and

(2) the Committee on Appropriations, the Committee on Armed Services, and the Committee on Foreign Relations of the Senate.

Subtitle B—Matters Relating to Iraq

SEC. 1221. MODIFICATION OF AUTHORITIES RELATING TO THE SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION.

(a) PURPOSES.—Subsection (a)(1) of section 3001 of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1234–1238; 5 U.S.C.

App., note to section 8G of Public Law 95–452) is amended by striking "to the Iraq Relief and Reconstruction Fund" and inserting "for the reconstruction of Iraq".

(b) ASSISTANT INSPECTORS GENERAL.—Subsection (d)(1) of such section is amended by striking "the Iraq Relief and Reconstruction Fund" and inserting "amounts appropriated or otherwise made available for the reconstruction of Iraq".

(c) SUPERVISION.—Subsection (e)(2) of such section is amended by striking "the Iraq Relief and Reconstruction Fund" and inserting "amounts appropriated or otherwise made available for the reconstruction of Iraq".

(d) DUTIES.—Subsection (f)(1) of such section is amended by striking "to the Iraq Relief and Reconstruction Fund" and inserting "for the reconstruction of Iraq".

(e) PERSONNEL, FACILITIES, AND OTHER RESOURCES.—Subsection (h)(3) of such section is amended by striking "my enter" and inserting "may enter".

(f) REPORTS.—Subsection (i) of such section is amended by striking "to the Iraq Relief and Reconstruction Fund" each place it appears and inserting "for the reconstruction of Iraq".

(g) DEFINITIONS.—Subsection (m) of such section is amended—

(1) in the heading, by striking "APPROPRIATE COMMITTEES OF CONGRESS DEFINED" and inserting "DEFINITIONS";

(2) by striking "In this section, the term" and inserting the following: "In this section—

"(1) the term";

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

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

(5) by adding at the end the following:

"(2) the term 'amounts appropriated or otherwise made available for the reconstruction of Iraq' means amounts appropriated or otherwise made available for any fiscal year—

"(A) to the Iraq Relief and Reconstruction Fund, the Iraq Security Forces Fund, and the Commanders' Emergency Response Program authorized under section 1202 of the National Defense Authorization for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3455–3456); or

"(B) for assistance for the reconstruction of Iraq under—

"(i) the Economic Support Fund authorized under chapter 4 of part II of the

Foreign Assistance Act of 1961 (22 U.S.C. 2346 et seq.);

"(ii) the International Narcotics Control and Law Enforcement account authorized under section 481 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291); or

"(iii) any other provision of law.".

(h) TERMINATION.—Subsection (o) of such section is amended—

(1) in paragraph (1)—

(A) by striking "(A)";

(B) by striking "to the Iraq Relief and Reconstruction Fund" the first place it appears and inserting "for the reconstruction of Iraq"; and

(C) by striking subparagraph (B); and

(2) in paragraph (2)—

(A) by striking "funds deemed to be"; and

(B) by striking "to the Iraq Relief and Reconstruction Fund" and inserting "for the reconstruction of Iraq".

SEC. 1222. CONTINUATION OF PROHIBITION ON ESTABLISHMENT OF PERMANENT MILITARY INSTALLATIONS IN IRAQ OR UNITED STATES CONTROL OVER OIL RESOURCES OF IRAQ.

Section 1519 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2444) is amended by inserting after "this Act" the following: "or any other Act for any fiscal year".

SEC. 1223. REPORT ON DEPARTMENT OF DEFENSE EFFORTS TO BUILD THE CAPACITY OF THE GOVERNMENT OF IRAQ TO CARRY OUT RECONSTRUCTION ACTIVITIES IN IRAQ.

(a) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, and every six months thereafter, the Secretary of Defense shall submit to Congress a report on efforts of the Department of Defense to build the capacity of the Government of Iraq to carry out reconstruction activities in Iraq.

(b) MATTERS TO BE INCLUDED.—The report required by subsection (a) shall include a description of the following:

(1) Efforts to improve the ability of the Government of Iraq—

(A) to assess the needs for the reconstruction of Iraq;

(B) to assess the sustainability of reconstruction projects carried out by the Government of Iraq, on all levels; and

(C) to effectively budget and carry out the design and implementation of reconstruction projects.

(2) Efforts to improve the ability of the Government of Iraq—

(A) to enter into competitively-awarded contracts for the reconstruction of Iraq; and

(B) to oversee that such contracts are properly and effectively carried out in a cost-efficient manner.

(3) Such other matters as the Secretary of Defense considers appropriate.

SEC. 1224. REPORT ON IMPLEMENTATION OF MULTI-NATIONAL FORCES–IRAQ/UNITED STATES EMBASSY BAGHDAD JOINT CAMPAIGN PLAN AND EFFORTS TO ACHIEVE POLITICAL REFORM IN IRAQ.

(a) REPORT REQUIRED.—Not later than September 30, 2007, the Secretary of Defense, in coordination with the Secretary of State, shall submit to the appropriate congressional committees a report detailing the status of implementation of the Multi-National Forces–Iraq/United States

Embassy Baghdad Joint Campaign Plan (hereinafter in this section referred to as the "Joint Campaign Plan") since January 1, 2007, and efforts by the Government of Iraq to achieve political reform in Iraq.

(b) ASSESSMENT REQUIRED.—The Commander, Multi-National Forces–Iraq and the United States Ambassador to Iraq shall jointly submit to the Secretary of Defense and the Secretary of State an assessment of the situation in Iraq. The assessment shall be submitted in time to be included in the report required by subsection (a), and shall be included in the report, together with any comments thereon by the Secretary of Defense or the Secretary of State.

(c) ELEMENTS.—The assessment required by subsection (b) shall include the following elements:

(1) A detailed description of the Joint Campaign Plan, or any subsequent revisions, updates, or documents that replace or supersede the Joint Campaign Plan, including goals, phases, or other milestones contained in the Joint Campaign Plan. Specifically, the description shall include the following:

(A) An explanation of conditions required to move though phases of the Joint Campaign Plan and the measurements used to determine progress.

(B) An assessment of what conditions in the Joint Campaign Plan have been achieved and what conditions have not been achieved. The assessment of those conditions that have not been achieved shall include a discussion of the factors that have precluded such progress.

(C) A description of any companion or equivalent plan of the Government of Iraq used to measure progress for Iraqi Security Forces undertaking joint operations with Coalition forces.

(2) Efforts by the Government of Iraq in taking the following actions:

(A) Enacting a broadly-accepted hydrocarbon law that equitably shares revenue among all Iraqis.

(B) Adopting laws necessary for the conduct of provincial and local elections, taking steps to implement such laws, and setting a schedule to conduct provincial and local elections.

(C) Reforming current laws governing the de-Baathification process in a manner that encourages national reconciliation.

(D) Amending the Constitution of Iraq in a manner that encourages national reconciliation.

(E) Allocating and beginning expenditure of $10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, and implementing such reconstruction projects on an equitable basis.

(F) Making significant efforts to plan and implement disarmament, demobilization, and reintegration programs relating to Iraqi militias.

(3) An assessment of security in each region of Iraq and an overall assessment of security for the country, to include the following:

(A) Trends in casualties among Coalition forces, Iraqi Security Forces, and civilians.

(B) Trends in weekly attacks on Coalition forces, Iraqi Security Forces, and civilians.

(C) Trends in sectarian violence, including both the number of incidents and the casualties that have resulted.

(D) Trends in high-profile attacks, including attacks utilizing suicide bombings and vehicle-borne improvised explosive devices.

(4) An assessment of the effectiveness of Iraqi Security Forces, to include the following:

(A) The number of battalions in the Iraqi Army currently conducting operations against

insurgents, the level of personnel strength of such battalions, and efforts by the Iraqi or Coalition authorities to increase the number of such battalions.

(B) The number of Iraqi Security Force units, at the battalion level and above, that are operating independently of Coalition forces or with only support of Coalition forces.

(C) The anticipated period of time remaining until the Iraqi Security Forces are fully trained and capable of providing security in Iraq without support of Coalition forces.

(d) FURTHER ASSESSMENT REQUIRED.—Based on the information provided in subsection (c), the Secretary of Defense shall include in the report required by subsection (a)—

(1) an assessment of the levels of United States Armed Forces required in Iraq for the six-month period beginning on October 1, 2007, the missions to be undertaken by the Armed Forces, and the incremental costs of any proposed changes to such levels or missions; and

(2) a description of the range of contingency plans under consideration for changes to levels of

United States Armed Forces or missions during such period.

(e) UPDATE OF REPORT.—

(1) UPDATE REQUIRED.—Not later than 180 days after the submission of the report required by subsection (a), and every 180 days thereafter until United States combat forces have been redeployed from Iraq, the Secretary of Defense shall submit to the appropriate congressional committees an update of the report required by subsection (a).

(2) MATTERS TO BE INCLUDED.—Each update of the report required by subsection (a) shall include an update of the assessment and any comments thereon required by subsection (b), an update of the elements described in subsection (c), and an update of the further assessment required by paragraph (1) of subsection (d) for the six-month period beginning on the date of the submission of the update and an update of the contingency plans required by paragraph (2) of subsection (d) for such six-month period.

(f) FORM.—The report required by subsection (a) and each update of the report required by subsection (e), including assessments contained therein, shall be submitted in unclassified form, to the maximum extent practicable, but may contain a classified annex.

(g) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term "appropriate congressional committees" means—

(1) the Committee on Armed Services, the Committee on Appropriations, and the Committee on Foreign Affairs of the House of Representatives; and

(2) the Committee on Armed Services, the Committee on Appropriations, and the Committee on Foreign Relations of the Senate.

SEC. 1225. REPORT ON TRAINING OF THE IRAQI SECURITY FORCES.

(a) REPORT REQUIRED.—Not later than 90 days after the date of the enactment of this Act, and every three months thereafter, the Secretary of Defense shall submit to the appropriate congressional committees an assessment of the Iraqi Security Forces.

(b) MATTERS TO BE INCLUDED.—The report required by subsection (a) shall address the following matters:

(1) The level of training, readiness, operational proficiency, and any other measures used to assess the effectiveness of each battalion or larger formation or equivalent of the Iraqi Army, Iraqi National Police, Iraqi Police Service, and all other security and intelligence forces under the control of the Ministry of Defense or the Ministry of the Interior of Iraq.

(2) The number of battalions in the Iraqi Army currently conducting operations, the type of operations conducted, and efforts by Iraqi or Coalition authorities to increase the number of such operations.

(3) The number of Iraqi Army battalions and Iraqi National Police units that can operate without support from Coalition forces.

(4) The amount and type of support from Coalition forces required by the Iraqi Security Forces at each Transition Readiness Assessment (TRA) level.

(5) The level of readiness and effectiveness of units of the Iraqi Security Forces in provinces where the United States has formally transferred responsibility for the security of the province to the Iraqi Security Forces under the Provincial Iraqi Control (PIC) process.

(6) The contribution each battalion or larger formation or equivalent of the Iraqi Army, Iraqi National Police, Iraqi Police Service, and all other security and intelligence forces under the control of the Ministry of Defense or the Ministry of the Interior of Iraq are making to overall stability in their area of operation.

(7) Other measurements used by Iraqi and Coalition authorities to assess the capability of the Iraqi Security Forces.

(c) FORM.—The report required by subsection (a) shall be submitted in unclassified form, to the maximum extent practicable, but may include a classified annex, as appropriate.

(d) DEFINITION.—In this section, the term "appropriate congressional committees" means—

(1) the Committee on Armed Services and the Committee on Foreign Affairs of the House of Representatives; and

(2) the Committee on Armed Services and the Committee on Foreign Relations of the Senate.

SEC. 1226. SENSE OF CONGRESS ON RESPONSIBILITIES OF THE IRAQI COUNCIL OF REPRESENTATIVES TO ENACT LAWS TO ACHIEVE POLITICAL REFORM AND DIMINISH SUPPORT FOR THE INSURGENCY IN IRAQ.

It is the sense of Congress that the Iraqi Council of Representatives should not recess for an extended period of time without first making substantial progress toward—

(1) enacting a broadly-accepted hydrocarbon law that equitably shares revenue among all Iraqis;

(2) adopting laws necessary for the conduct of provincial and local elections, taking steps to implement such laws, and setting a schedule to conduct provincial and local elections;

(3) reforming current laws governing the de-Baathification process in a manner that encourages national reconciliation;

(4) amending the Constitution of Iraq in a manner that encourages national reconciliation; and

(5) enacting other legislation that helps to begin the process of political reconciliation and reduce the support for the insurgency in Iraq.

Subtitle C—Matters Relating to Afghanistan

SEC. 1231. SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION.

(a) PURPOSES.—The purposes of this section are as follows:

(1) To provide for the independent and objective conduct and supervision of audits and investigations relating to the programs and operations funded with amounts appropriated or otherwise made available to the Department of Defense for the reconstruction of Afghanistan.

(2) To provide for the independent and objective leadership and coordination of, and recommendations on, policies designed to—

(A) promote economy efficiency, and effectiveness in the administration of the programs and operations described in paragraph (1); and

(B) prevent and detect waste, fraud, and abuse in such programs and operations.

(3) To provide for an independent and objective means of keeping the Secretary of Defense fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress for corrective action.

(b) OFFICE OF INSPECTOR GENERAL.—There is hereby established the Office of the Special Inspector General for Afghanistan Reconstruction to carry out the purposes of subsection (a).

(c) APPOINTMENT OF INSPECTOR GENERAL; REMOVAL.—(1) The head of the Office of the Special Inspector General for Afghanistan Reconstruction is the Special Inspector General for Afghanistan Reconstruction (in this section referred to as the "Inspector General"), who shall be appointed by the President.

(2) The appointment of Inspector General shall be made solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

(3) The nomination of an individual as Inspector General shall be made not later than 30 days after the date of the enactment of this Act.

(4) The annual rate of basic pay of the Inspector General shall be the annual rate of basic pay provided for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(5) The requirements described in paragraphs (4) and (5) of section 3001(c) of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1234–1238; 5 U.S.C. App., note to section 8G of Public Law 95–452) shall apply to the Inspector General in the same manner and to the same extent as such requirements apply to the Special Inspector General for Iraq Reconstruction.

(d) ASSISTANT INSPECTORS GENERAL.—The Inspector General shall, in accordance with applicable laws and regulations governing the civil service—

(1) appoint an Assistant Inspector General for Auditing who shall have the responsibility for super-

vising the performance of auditing activities relating to programs and operations supported by amounts appropriated or otherwise made available to the Department of Defense for the reconstruction of Afghanistan; and

(2) appoint an Assistant Inspector General for Investigations who shall have the responsibility for supervising the performance of investigative activities relating to such programs and operations.

(e) SUPERVISION.—(1) Except as provided in paragraph (2), the Inspector General shall report directly to, and be under the general supervision of, the Secretary of Defense.

(2) No officer of the Department of Defense shall prevent or prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation related to amounts appropriated or otherwise made available to the Department of Defense for the reconstruction of Afghanistan or from issuing any subpoena during the course of any such audit or investigation.

(f) DUTIES.—(1) It shall be the duty of the Inspector General to conduct, supervise, and coordinate audits and investigations of the treatment, handling, and expenditure of amounts appropriated or otherwise made available to the Department of Defense for the reconstruction of Afghani-

stan, and of the programs, operations, and contracts carried out utilizing such funds, including—

(A) the oversight and accounting of the obligation and expenditure of such funds;

(B) the monitoring and review of reconstruction activities funded by such funds;

(C) the monitoring and review of contracts funded by such funds;

(D) the monitoring and review of the transfer of such funds and associated information between and among departments, agencies, and entities of the United States and private and nongovernmental entities; and

(E) the maintenance of records on the use of such funds to facilitate future audits and investigations of the use of such funds.

(2) The Inspector General shall establish, maintain, and oversee such systems, procedures, and controls as the Inspector General considers appropriate to discharge the duty under paragraph (1).

(3) In addition to the duties specified in paragraphs (1) and (2), the Inspector General shall also have the duties and responsibilities of inspectors general under the Inspector General Act of 1978.

(4) In carrying out the duties, responsibilities, and authorities of the Inspector General under this section, the Inspector General shall coordinate with, and receive the cooperation of, the Inspector General of the Department of Defense.

(g) POWERS AND AUTHORITIES.—(1) In carrying out the duties specified in subsection (f), the Inspector General shall have the authorities provided in section 6 of the Inspector General Act of 1978, including the authorities under subsection (e) of such section.

(2) The Inspector General shall carry out the duty specified in subsection (f)(1) in accordance with section 4(b)(1) of the Inspector General Act of 1978.

(h) PERSONNEL, FACILITIES, AND OTHER RESOURCES.—(1) The powers and authorities described in paragraphs (1) through (3) of section 3001(h) of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 shall apply to the Inspector General in the same manner and to the same extent as such requirements apply to the Special Inspector General for Iraq Reconstruction.

(2) Whenever information or assistance requested by the Inspector General is, in the judgment of the Inspector General, unreasonably refused or not provided from any department, agency, or other entity of the Federal Govern-

ment, the Inspector General shall report the circumstances to the Secretary of Defense and to the congressional defense committees.

(3) The Secretary of Defense shall provide the Inspector General with appropriate and adequate office space at appropriate locations of the Department of Defense in Afghanistan, together with such equipment, office supplies, and communications facilities and services as may be necessary for the operation of such offices, and shall provide necessary maintenance services for such offices and the equipment and facilities located therein.

(i) REPORTS.—(1) Not later than 30 days after the end of each fiscal-year quarter, the Inspector General shall submit to the congressional defense committees a report summarizing, for the period of that quarter and, to the extent possible, the period from the end of such quarter to the time of the submission of the report, the activities during such period of the Inspector General and the activities under programs and operations funded with amounts appropriated or otherwise made available to the Department of Defense for the reconstruction of Afghanistan. Each report shall include, for the period covered by such report, a detailed statement of all obligations, expenditures, and revenues of the Department of Defense associated with re-

construction and rehabilitation activities in Afghanistan, including the following:

(A) Obligations and expenditures of appropriated funds by the Department of Defense.

(B) A project-by-project and program-by-program accounting of the costs incurred to date by the Department of Defense for the reconstruction of Afghanistan, together with the estimate of the Department of Defense of the costs to complete each project and each program.

(C) Revenues attributable to or consisting of funds provided by foreign nations or international organizations to programs and projects funded by the Department of Defense, and any obligations or expenditures of such revenues.

(D) Revenues attributable to or consisting of foreign assets seized or frozen that contribute to programs and projects funded by the Department of Defense, and any obligations or expenditures of such revenues.

(E) Operating expenses of agencies or entities receiving amounts appropriated or otherwise made available to the Department of Defense for the reconstruction of Afghanistan.

(F) In the case of any contract described in paragraph (2)—

(i) the amount of the contract or other agreement;

(ii) a brief discussion of the scope of the contract or other agreement;

(iii) a discussion of how the Department of Defense identified, and solicited offers from, potential contractors to perform the contract, together with a list of the potential contractors that were issued solicitations for the offers; and

(iv) the justification and approval documents on which was based the determination to use procedures other than procedures that provide for full and open competition.

(2) A contract described in this paragraph is any major contract or other agreement that is entered into by the Department of Defense that involves the use of amounts appropriated or otherwise made available to the Department of Defense for the reconstruction of Afghanistan with any public or private sector entity for any of the following purposes:

(A) To build or rebuild physical infrastructure of Afghanistan.

(B) To establish or reestablish a political or societal institution of Afghanistan.

(C) To provide products or services to the people of Afghanistan.

(3) The Inspector General shall submit to the congressional defense committees semiannual reports meeting the requirements of section 5 of the Inspector General Act of 1978. The first such report for a year, covering the first six months of the year, shall be submitted not later than July 31 of that year, and the second such report, covering the second six months of the year, shall be submitted not later than January 31 of the following year.

(4) The Inspector General shall publish each report under this subsection in both English and other languages, which the Inspector General determines are widely used and understood in Afghanistan, on the Internet website of the Department of Defense.

(5) Each report under this subsection may include a classified annex if the Inspector General considers it necessary.

(6) Nothing in this subsection shall be construed to authorize the public disclosure of information that is—

(A) specifically prohibited from disclosure by any other provision of law;

(B) specifically required by Executive order to be protected from disclosure in the interest of national defense or national security or in the conduct of foreign affairs; or

(C) a part of an ongoing criminal investigation.

(j) REPORT COORDINATION.—(1) The Inspector General shall also submit each report under subsection (i) to the Secretary of Defense.

(2)(A) Not later than 30 days after receipt of a report under paragraph (1), the Secretary of Defense may submit to the congressional defense committees any comments on the matters covered by the report as the Secretary of Defense considers appropriate.

(B) A report under this paragraph may include a classified annex if the Secretary of Defense considers it necessary.

(k) TRANSPARENCY.—(1) Not later than 60 days after the date of the submittal to Congress of a report under subsection (i), the Secretary of Defense shall make copies of such report available to the public upon request, and at a reasonable cost.

(2) Not later than 60 days after the date of the submittal to Congress under subsection (j)(2) of comments on a report under subsection (i), the Secretary of Defense shall

make copies of such comments available to the public upon request, and at a reasonable cost.

(l) WAIVER.—(1) The President may waive the requirement under paragraph (1) or (2) of subsection (k) with respect to availability to the public of any element in a report under subsection (i), or any comment under subsection (j)(2), if the President determines that the waiver is justified for national security reasons.

(2) The President shall publish a notice of each waiver made under this subsection in the Federal Register no later than the date on which a report required under paragraph (1) or (3) of subsection (i), or any comment under subsection (j)(2), is submitted to Congress. The reports required under paragraph (1) or (3) of subsection (i), and the comments required under subsection (j)(2), shall specify whether waivers under this subsection were made and with respect to which elements in the reports or which comments, as appropriate.

(m) DEFINITION.—In this section, the term "amounts appropriated or otherwise made available to the Department of Defense for the reconstruction of Afghanistan" means amounts appropriated or otherwise made available for any fiscal year—

(1) to the Afghanistan Security Forces Fund;

(2) to the program to assist the people of Afghanistan established under subsection (a)(2) of section 1202 of the National Defense Authorization for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3455–3456); or

(3) to the Department of Defense for assistance for the reconstruction of Afghanistan under any other provision of law.

(n) FUNDING.—(1) Of the amounts appropriated for fiscal year 2008 to the Afghanistan Security Forces Fund, such sums as may be necessary shall be available to carry out this section.

(2) The amount available under paragraph (1) shall remain available until expended.

(o) TERMINATION.—(1) The Office of the Inspector General shall terminate 10 months after 80 percent of the funds appropriated or otherwise made available to the Department of Defense for the reconstruction of Afghanistan have been expended.

(2) The Special Inspector General for Afghanistan Reconstruction shall, prior to the termination of the Office of the Special Inspector General under paragraph (1), prepare and submit to the congressional defense committees a final forensic audit report on all funds deemed to be amounts

appropriated or otherwise made available to the Department of Defense for the reconstruction of Afghanistan.

SEC. 1232. REPORT ON PROGRESS TOWARD SECURITY AND STABILITY IN AFGHANISTAN.

(a) REPORT REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the appropriate congressional committees a report on progress toward security and stability in Afghanistan.

(b) COORDINATION.—The report required by subsection (a) shall be prepared in coordination with the Secretary of State, the Attorney General, the Administrator of the Drug Enforcement Administration, the Administrator of the United States Agency for International Development, the Secretary of Agriculture, and the head of any other department or agency of the Government of the United States involved with activities relating to security and stability in Afghanistan.

(c) MATTERS TO BE INCLUDED: STRATEGIC DIRECTION OF UNITED STATES ACTIVITIES RELATING TO SECURITY AND STABILITY IN AFGHANISTAN.—The report required by subsection (a) shall include a description of the strategic direction of activities of the United States relating to security and stability in Afghanistan. Such description

shall include a general overview followed by a separate detailed section for each of the following:

(1) AFGHANISTAN NATIONAL SECURITY FORCES CAPACITY-BUILDING.—A description of the following:

(A) A clear, comprehensive and effective long-term strategy and budget, with defined objectives, for activities relating to strengthening the resources, capabilities, and effectiveness of the Afghanistan National Army (ANA) and the Afghanistan National Police (ANP) of the Afghanistan National Security Forces (ANSF), which ensure that a strong and fully-capable ANSF is able to independently and effectively conduct operations and maintain security and stability in Afghanistan (hereinafter in this section referred to as "ANSF capacity-building").

(B) Any actions to achieve the following goals with respect to ANSF capacity-building, and the results of such actions:

(i) Improve coordination with all relevant departments and agencies of the United States Government, as well as countries participating in the North Atlantic Treaty Organization International Assist-

ance Force (NATO–ISAF) and other international partners.

(ii) Improve ANSF recruitment and retention, including through improved vetting and salaries for ANSF.

(iii) Increase and improve ANSF training and mentoring.

(iv) Strengthen the partnership between the Governments of the United States and Afghanistan.

(2) PROVINCIAL RECONSTRUCTION TEAMS AND OTHER RECONSTRUCTION AND DEVELOPMENT ACTIVITIES.—A description of the following:

(A) A clear, comprehensive and effective long-term strategy and budget, with defined objectives, for activities relating to reconstruction and development in Afghanistan.

(B) Any actions to achieve the following goals with respect to activities relating to reconstruction and development in Afghanistan, and the results of such actions:

(i) Improve coordination with all relevant departments and agencies of the United States Government, as well as

NATO–ISAF countries and other international partners.

(ii) Clarify a single chain of command and operations plans for provincial reconstruction teams (PRTs) in Afghanistan.

(iii) Increase staffing, particularly staffing of civilian specialists, and increase staff training for PRTs.

(iv) Expand the National Solidarity Program and other efforts to develop the ability of the Afghan people to assume greater responsibility for their own reconstruction and development projects.

(v) Strengthen the partnership between the Governments of the United States and Afghanistan.

(vi) Strengthen reconstruction and development oversight activities, including implementation of any recommendations of the Special Inspector General for Afghanistan Reconstruction.

(3) REGIONAL CONSIDERATIONS.—A description of any actions and the results of such actions to increase cooperation with countries geographically located around Afghanistan's border, with a particular

focus on improving security and stability in the Afghanistan-Pakistan border areas.

(d) MATTERS TO BE INCLUDED: PERFORMANCE INDICATORS AND MEASURES OF PROGRESS TOWARD SUSTAINABLE LONG-TERM SECURITY AND STABILITY IN AFGHANISTAN.—

(1) IN GENERAL.—The report required by subsection (a) shall set forth, in a section separate from any other section of the report, a comprehensive set of performance indicators and measures of progress toward sustainable long-term security and stability in Afghanistan, as specified in paragraph (2), and shall include performance standards and progress goals, together with a notional timetable for achieving such goals.

(2) PERFORMANCE INDICATORS AND MEASURES OF PROGRESS SPECIFIED.—The performance indicators and measures of progress specified in this paragraph shall include, at a minimum, the following:

(A) Key measures of political stability relating to both central and local Afghan governance.

(B) An assessment of military operations of NATO–ISAF and NATO–ISAF countries, and an assessment of separate military operations by

United States forces. Such assessments shall include number of engagements per day, trends relating to the numbers and types of hostile encounters, equipment used, effect of national caveats that limit operations, geographic location of operations, and number of civilian casualties.

(C) For the Afghanistan National Army (ANA), and separately for the Afghanistan National Police (ANP), of the Afghanistan National Security Forces (ANSF) an assessment of the following:

(i) Recruitment and retention numbers; rates of absenteeism; vetting procedures and mechanisms; salaries; numbers trained and mentored; type of training and mentoring, including training and mentoring providers and numbers receiving classroom or field training; organizational force structure; equipment used; operational performance, including ANA and ANP that are (I) capable of conducting operations independently, (II) capable of conducting operations with the support of the United States, NATO-ISAF forces, or other Coalition

forces, or (III) not ready to conduct operations.

(ii) Effectiveness of ANA or ANP officers and the ANA and ANP chain of command.

(iii) Extent to which insurgents have infiltrated the ANA and ANP.

(iv) Number of United States and Coalition trainers, mentors, and advisors needed to support the ANA and ANP and associated ministries.

(v) Estimated number and capability level of ANA and ANP needed to perform duties now undertaken by the United States, NATO-ISAF forces, and other Coalition forces, including securing Afghanistan's border with Pakistan and providing adequate levels of law and order throughout Afghanistan.

(D) An assessment of the estimated strength of the insurgency in Afghanistan and the extent to which it is composed of non-Afghan fighters and utilizing weapons or weapons-related materials from counties other than Afghanistan.

(E) A description of all terrorist and insurgent groups operating in Afghanistan, including the number, size, equipment, strength, military effectiveness, sources of support, legal status, and any efforts to disarm or reintegrate each insurgent group.

(F) An assessment of security and stability, including terrorist and insurgent activity, in Afghanistan-Pakistan border areas and in Pakistan's Federally Administered Tribal Areas (FATA).

(G) An assessment of United States military requirements, including planned force rotations, through the end of calendar year 2008.

(e) UPDATE OF REPORT.—Not later than 90 days after the submission of the report required by subsection (a), and every 90 days thereafter, the Secretary of Defense shall submit to the appropriate congressional committees an update of the report.

(f) FORM.—The report required by subsection (a) and updates of the report required by subsection (e) shall be submitted in unclassified form, but may include a classified annex, if necessary.

(g) CONGRESSIONAL BRIEFINGS.—The Secretary of Defense shall supplement the report required by subsection

(a) and updates of the report required by subsection (e) with regular briefings to the appropriate congressional committees on the subject matter of the report or updates of the report.

(h) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term "appropriate congressional committees" means—

(1) the Committee on Armed Services, the Committee on Appropriations, and the Committee on Foreign Affairs of the House of Representatives; and

(2) the Committee on Armed Services, the Committee on Appropriations, and the Committee on Foreign Relations of the Senate.

SEC. 1233. REPORT ON PROGRESS OF THE DEPARTMENT OF DEFENSE'S COUNTER-NARCOTICS PROGRAM FOR AFGHANISTAN.

(a) REPORT REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on—

(1) the counter-narcotics objectives of the Department of Defense for Afghanistan; and

(2) the strategy for implementing such objectives.

(b) MATTERS TO BE INCLUDED.—The report required by subsection (a) shall—

(1) identify the role and responsibilities of the Department of Defense in addressing any of the applicable five pillars that comprise the counter-narcotics strategy and implementation plan for Afghanistan: public information, rural development (alternative livelihoods), elimination and eradication activities, law enforcement and interdiction, and law enforcement and justice reform;

(2) describe the strategic direction of activities of the Department of Defense relating to counter-narcotics efforts in Afghanistan, and specifically include a description of—

(A) a clear, comprehensive and effective long-term strategy and any planned budget, with defined objectives; and

(B) actions that the Department of Defense has undertaken and has planned, to—

(i) improve coordination with all relevant departments and agencies of the United States Government;

(ii) strengthen significantly the Afghanistan National Counter-Narcotics Police;

(iii) build the capacity of the Afghan Government to assume greater responsibility for counter-narcotics related-activities;

(iv) improve counter-narcotics intelligence capabilities;

(v) strengthen capabilities in support of narcotics-related interdiction activities;

(vi) effectively address problems with any counter-narcotics strategies involving the Department of Defense; and

(vii) address other elements of the applicable five pillars that comprise the counter-narcotics strategy and implementation plan for Afghanistan as described in paragraph (1); and

(3) set forth, in a section separate from any other section of the report, a comprehensive set of performance indicators and measures of progress for the Department of Defense's programs relating to counter-narcotics efforts in Afghanistan, which shall include performance standards and progress goals, together with a notional timetable for achieving such goals.

(c) UPDATE OF REPORT.—Not later than 90 days after the submission of the report required by subsection (a), and

every 90 days thereafter, the Secretary of Defense shall submit to Congress an update of the report.

(d) CONCURRENT SUBMISSION OF REPORT.—The report required by subsection (a) and updates of the report required by subsection (c) shall be submitted concurrently with the report required by section 1232 of this Act (relating to progress toward security and stability in Afghanistan).

(e) FORM.—The report required by subsection (a) and updates of the report required by subsection (c) shall be submitted in unclassified form, but may include a classified annex, if necessary.

SEC. 1234. UNITED STATES PLAN FOR SUSTAINING THE AFGHANISTAN NATIONAL SECURITY FORCES.

(a) PLAN REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the appropriate congressional committees a long-term detailed plan for sustaining the Afghanistan National Army and the Afghanistan National Police of the Afghanistan National Security Forces (ANSF). The plan required by this subsection shall ensure that a strong and fully-capable ANSF will be able to independently and effectively conduct operations and maintain long-term security and stability in Afghanistan.

(b) COORDINATION.—The plan required by subsection (a) shall be prepared in coordination with the Secretary of State and the Attorney General.

(c) MATTERS TO BE INCLUDED.—The plan required by subsection (a) shall include a description of the following matters relating to sustainability of the ANSF:

(1) A clear, comprehensive and effective long-term strategy and budget, with defined objectives.

(2) A mechanism for tracking funding, including obligations and expenditures, as well as equipment, training, and services provided for the ANSF by the United States, countries participating in the North Atlantic Treaty Organization International Security Assistance Force (NATO-ISAF countries), and other international partners.

(3) A comprehensive set of performance indicators and measures of progress related to sustaining the ANSF, which shall include performance standards and progress goals, together with a notional timetable for achieving such goals.

(4) Actions to achieve the following goals:

(A) Effective Afghan security institutions with fully-capable leadership and staff, including a reformed Ministry of Interior, a fully-established Ministry of Defense, and logistics, intel-

ligence, medical, and recruiting units (ANSF-sustaining institutions).

(B) Fully-trained, equipped and capable ANSF in sufficient numbers.

(C) Strong ANSF-readiness assessment tools and metrics.

(D) A strong core of senior-level ANSF officers.

(E) Strong ANSF communication and control between central command and regions, provinces, and districts.

(F) A robust mentoring and advising program for the ANSF.

(G) A strong professional military training and education program for all junior, mid-level, and senior ANSF officials.

(H) Effective merit-based salary, rank, promotion, and incentive structures for the ANSF.

(I) An established code of professional standards for the ANSF.

(J) A mechanism for incorporating lessons learned and best practices into ANSF operations.

(K) An ANSF personnel accountability system with effective internal discipline procedures and mechanisms.

(L) A system for addressing ANSF personnel complaints.

(M) A strong record-keeping system to track ANSF equipment and personnel issues, and other ANSF oversight mechanisms.

(5) Coordination with all relevant United States Government departments and agencies, as well as NATO-ISAF countries and other international partners, including on—

(A) funding;

(B) reform and establishment of ANSF-sustaining institutions; and

(C) efforts to ensure that progress on sustaining the ANSF is reinforced with progress in other pillars of the Afghan security sector, particularly progress on building an effective judiciary, curbing production and trafficking of illicit narcotics, and demobilizing, disarming, and reintegrating militia fighters.

(d) UPDATE OF PLAN.—Not later than 90 days after the submission of the plan required by subsection (a), and every 90 days thereafter, the Secretary of Defense, in coordination with the Secretary of State and the Attorney General, shall submit to the appropriate congressional commit-

tees an update of the plan required by subsection (a), as necessary.

(e) CONCURRENT SUBMISSION OF PLAN.—The plan required by subsection (a), and any update of the plan required by subsection (d), shall be submitted concurrently with the report required by section 1232 of this Act (relating to progress toward security and stability in Afghanistan).

(f) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term "appropriate congressional committees" means—

(1) the Committee on Armed Services, the Committee on Appropriations, the Committee on Foreign Affairs, and the Committee on the Judiciary of the House of Representatives; and

(2) the Committee on Armed Services, the Committee on Appropriations, the Committee on Foreign Relations, and the Committee on the Judiciary of the Senate.

Subtitle D—Other Matters

SEC. 1241. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS: NATO ORGANIZATIONS; ALLIED AND FRIENDLY FOREIGN COUNTRIES.

Subsection (e) of section 2350a of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking "an arms cooperation opportunities document" each place it appears and inserting "a cooperative opportunities document"; and

(B) in subparagraph (B), by striking "a Mission Need Statement" and inserting "an analysis of alternatives plan"; and

(2) in paragraph (2), by striking "An arms cooperation opportunities document" and inserting "A cooperative opportunities document".

SEC. 1242. EXTENSION OF COUNTERPROLIFERATION PROGRAM REVIEW COMMITTEE.

(a) MEMBERS.—Section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751 note) is amended in subsection (a)(1)—

(1) in subparagraph (C) by striking "Director of Central Intelligence" and inserting "Director of National Intelligence"; and

(2) by adding at the end the following:

"(E) The Secretary of State.

"(F) The Secretary of Homeland Security.

"(G) The Secretary of Health and Human Services.

"(H) The Administrator of the Environmental Protection Agency.".

(b) ACCESS TO INFORMATION.—Subsection (d) of such section is amended by inserting after "Department of Energy," the following: "the Department of State, the Department of Homeland Security, the Department of Health and Human Services, the Environmental Protection Agency,".

(c) TERMINATION.—Subsection (f) of such section is amended by striking "2008" and inserting "2013".

(d) SUBMISSION OF REPORT.—Section 1503 of the National Defense Authorization Act for Fiscal Year 1995 (22 U.S.C. 2751 note) is amended—

(1) in subsection (a)—

(A) by striking "ANNUAL" and inserting "BIENNIAL"; and

(B) by striking "May 1 each year" and inserting "March 1 each odd-numbered year"; and

(2) in subsection (b)(5)—

(A) by striking "fiscal year preceding" and inserting "two fiscal years preceding"; and

(B) by striking "preceding fiscal year" and inserting "preceding fiscal years".

SEC. 1243. SENSE OF CONGRESS CONCERNING THE WESTERN HEMISPHERE INSTITUTE FOR SECURITY COOPERATION.

It is the sense of Congress that—

(1) the education and training facility of the Department of Defense known as the Western Hemisphere Institute for Security Cooperation is succeeding in meeting its stated mission of providing professional education and training to eligible military personnel, law enforcement officials, and civilians of nations of the Western Hemisphere that support the democratic principles set forth in the Charter of the Organization of American States, while fostering mutual knowledge, transparency, confidence, and cooperation among the participating nations and promoting democratic values and respect for human rights; and

(2) therefore, the Institute is an invaluable education and training facility which the Department of Defense should continue to utilize in order to help foster a spirit of partnership and interoperability among the United States military and the militaries of participating nations.

SEC. 1244. SENSE OF CONGRESS CONCERNING THE STRATEGIC MILITARY CAPABILITIES AND INTENTIONS OF THE PEOPLE'S REPUBLIC OF CHINA.

It is the sense of Congress that—

(1) United States military war-fighting capabilities are potentially threatened by the strategic military capabilities and intentions of the People's Republic of China, as demonstrated by—

(A) the October 2006 undetected broach of a Chinese SONG-class diesel-electric submarine in close proximity of the USS Kitty Hawk in international waters; and

(B) the January 2007 test of a direct ascent anti-satellite (ASAT) weapon, posing a potential threat to United States military assets in space;

(2) it is in the national security interests of the United States to make every effort to understand China's strategic military capabilities and intentions; and

(3) as part of such an effort, the Secretary of Defense should expand efforts to develop an accurate assessment of China's strategic military modernization, particularly with regard to its sea- and space-based strategic capabilities.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

Sec. 1301. Specification of Cooperative Threat Reduction programs and funds.
Sec. 1302. Funding allocations.
Sec. 1303. New initiatives for the Cooperative Threat Reduction Program.
Sec. 1304. Requirements relating to chemical weapons destruction at Shchuch'ye, Russia.
Sec. 1305. Repeal of restrictions on Cooperative Threat Reduction Program.
Sec. 1306. Authority to use Cooperative Threat Reduction funds outside the former Soviet Union.

SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS AND FUNDS.

(a) SPECIFICATION OF CTR PROGRAMS.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in section 1501(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201; 110 Stat. 2731; 50 U.S.C. 2362 note).

(b) FISCAL YEAR 2008 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term "fiscal year 2008 Cooperative Threat Reduction funds" means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

(c) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to the authorization of appropriations in section

301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

SEC. 1302. FUNDING ALLOCATIONS.

(a) FUNDING FOR SPECIFIC PURPOSES.—Of the $398,000,000 authorized to be appropriated to the Department of Defense for fiscal year 2008 in section 301(19) for Cooperative Threat Reduction programs, the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in the Russian Federation, $77,900,000.

(2) For nuclear weapons storage security in Russia, $23,000,000.

(3) For nuclear weapons transportation security in Russia, $37,700,000.

(4) For weapons of mass destruction proliferation prevention in the states of the former Soviet Union, $38,000,000.

(5) For biological weapons proliferation prevention in the former Soviet Union, $144,400,000.

(6) For chemical weapons destruction in Russia, $42,700,000.

(7) For defense and military contacts, $8,000,000.

(8) For new Cooperative Threat Reduction initiatives that are outside the scope of existing Coopera-

tive Threat Reduction programs and projects, $7,000,000.

(9) For activities designated as Other Assessments/Administration costs, $19,300,000, of which $300,000 is to expand staff capacity, capabilities, and resources necessary for activities related to new Cooperative Threat Reduction initiatives authorized under paragraph (8).

(b) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2008 Cooperative Threat Reduction funds may be obligated or expended for a purpose other than a purpose listed in paragraphs (1) through (9) of subsection (a) until 30 days after the date that the Secretary of Defense submits to Congress a report on the purpose for which the funds will be obligated or expended and the amount of funds to be obligated or expended. Nothing in the preceding sentence shall be construed as authorizing the obligation or expenditure of fiscal year 2008 Cooperative Threat Reduction funds for a purpose for which the obligation or expenditure of such funds is specifically prohibited under this title or any other provision of law.

(c) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), in any case in which the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may obligate amounts appropriated for fiscal year 2008 for a purpose listed in any of the paragraphs in subsection (a) in excess of the specific amount authorized for that purpose.

(2) NOTICE-AND-WAIT REQUIRED.—An obligation of funds for a purpose stated in any of the paragraphs in subsection (a) in excess of the specific amount authorized for such purpose may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

(3) RESTRICTION.—The Secretary may not, under the authority provided in paragraph (1), obligate amounts for a purpose stated in any of paragraphs (6) through (9) of subsection (a) in excess of 125 percent of the specific amount authorized for such purpose.

SEC. 1303. NEW INITIATIVES FOR THE COOPERATIVE THREAT REDUCTION PROGRAM.

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

(1) the Department of Defense Cooperative Threat Reduction (CTR) Program should be strengthened and expanded, in part by developing new CTR initiatives;

(2) such new initiatives should—

(A) increase international security and threat reduction cooperation, capacity building, and security and elimination of nuclear, chemical, and biological weapons and weapons-related materials that pose a threat to United States national security interests;

(B) be well-coordinated with the Department of Energy, the Department of State, and any other relevant United States Government agency or department;

(C) include robust transparency, accountability, verification measures and mechanisms, and legal frameworks between the United States and CTR partner countries;

(D) reflect engagement with non-governmental experts, including the National Academy

of Sciences, on possible options for strengthening and expanding the CTR Program;

(E) include active work with the Russian Federation and other countries to establish strong CTR partnerships that, among other things—

(i) increase the role of scientists and government officials from Russia and other partner countries in designing CTR programs and projects; and

(ii) increase financial contributions and additional commitments to CTR programs and projects from Russia and other partner countries, as evidence that the programs and projects reflect national priorities and will be sustainable;

(F) benefit from broad efforts to increase international contributions, in addition to contributions from CTR partner countries, for CTR programs and projects;

(G) incorporate a strong focus on national programs and sustainability, which includes actions to address concerns raised and recommendations made by the Government Accountability Office, in its report of February

2007 titled "Progress Made in Improving Security at Russian Nuclear Sites, but the Long-Term Sustainability of U.S. Funded Security Upgrades is Uncertain", regarding safeguarding nuclear warheads and materials;

(H) demonstrate an increased focus on and development of CTR programs and projects that eliminate and secure nuclear, chemical, and biological weapons and weapons-related materials at the source; and

(I) include active efforts to expand the scope of existing CTR programs and projects and develop new CTR programs and projects in Russia and the former Soviet Union, and in countries and regions outside the former Soviet Union, where appropriate and in the interest of United States national security; and

(3) such new initiatives could include—

(A) new CTR programs and projects in Asia and the Middle East;

(B) activities relating to the denuclearization of the Democratic People's Republic on Korea and security of the Korean peninsula; and

(C) development of rapid-response and short-term capabilities to respond to unforeseen contingencies or pursue quickly emergent opportunities.

(b) NATIONAL ACADEMY OF SCIENCES STUDY.—

(1) STUDY.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall enter into an arrangement with the National Academy of Sciences under which the Academy shall carry out a study to analyze options for strengthening and expanding the CTR Program.

(2) MATTERS TO BE INCLUDED IN STUDY.—The Secretary shall provide for the study under paragraph (1) to include—

(A) an assessment of each new CTR initiative described in subsection (a); and

(B) an identification of options and formulation of recommendations for strengthening and expanding the CTR Program.

(c) SECRETARY OF DEFENSE REPORT.—

(1) IN GENERAL.—Not later than March 31, 2008, the Secretary of Defense shall submit to the congressional defense committees, and to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, a

report on new CTR initiatives. The report shall include—

(A) the results of the study carried out under subsection (b), including any report or other document received from the National Academy of Sciences with respect to such study;

(B) the Secretary's assessment of the study; and

(C) a specific action plan for the development and implementation of new CTR initiatives and the use of any funds authorized and appropriated for fiscal year 2008 for such initiatives, which shall include a discussion of each new CTR initiative described in subsection (a) and the action plan for implementing the recommendations, if any, of the study carried out under subsection (b) that the Secretary has decided to pursue.

(2) CLASSIFICATION.—The report shall be in unclassified form but may include a classified annex if necessary.

(d) FUNDING.—Of the amounts made available pursuant to the authorization of appropriations in section 301(19) for new CTR initiatives under the CTR Program, $1,000,000 shall be available to carry out this section.

SEC. 1304. REQUIREMENTS RELATING TO CHEMICAL WEAPONS DESTRUCTION AT SHCHUCH'YE, RUSSIA.

(a) NOTICE OF AGREEMENT REQUIRED.—

(1) IN GENERAL.—Not later than 30 days after the commencement of negotiations for, or the signing and finalization of, an agreement described in paragraph (2), the Secretary of Defense shall provide the congressional defense committees with formal written notice of the commencement of negotiations for that agreement or the signing or finalization of that agreement, as the case may be.

(2) AGREEMENT.—Paragraph (1) applies to any agreement with the Russian Federation, the implementation of which would have the effect of—

(A) transferring to Russia any responsibilities relating to the scope of work for the Shchuch'ye project that are, as of the date of the enactment of this Act, responsibilities of the Department of Defense; or

(B) otherwise changing the implementation of the project in any manner inconsistent with the purpose and intent of the amounts authorized and appropriated for the project.

(b) REPORT REQUIRED.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees

a report on the Shchuch'ye project. The report shall include—

(1) a current and detailed cost estimate for completion of the project; and

(2) a specific strategic and operating plan for completion of the project, which includes—

(A) active engagement with Russia on securing appropriate contractors and other matters relating to project completion;

(B) a comprehensive assessment of alternative contracting options;

(C) robust Department project management and oversight, including management and oversight with respect to the performance of any contractors;

(D) project quality assurance and sustainability measures, including measures to ensure security of the chemical weapons stockpile at the project site;

(E) metrics for measuring project progress with a timetable for achieving goals;

(F) coordination of the Department's efforts relating to the project with the Department of Energy and other departments or agencies of the United States Government, international part-

ners, and non-governmental experts who may be helpful in facilitating the project; and

(G) a project completion date.

(c) SUBMISSIONS REQUIRED BEFORE IMPLEMENTATION OF AGREEMENT.—The Secretary of Defense may not implement any agreement described in subsection (a)(2) until 90 days after the date on which the Secretary has submitted to the congressional defense committees all of the following:

(1) The report required by subsection (b).

(2) A copy of the signed and finalized agreement.

(3) The Secretary's certification that the signed and finalized agreement accomplishes each of the following:

(A) Describes the respective responsibilities of the Department and Russia relating to completion of the Shchuch'ye project, including in the areas of management, oversight, implementation, security, quality assurance, and sustainability.

(B) Specifies the date of project completion.

(C) Provides the safeguards needed to ensure timely and effective project completion.

(D) Ensures that the chemical weapons stockpile at the project site is secure.

(d) CONGRESSIONAL BRIEFINGS.—The Secretary of Defense shall supplement the report required by subsection (b) with regular briefings to the congressional defense committees on the subject matter of the report.

(e) DEFINITION.—In this section, the terms "Shchuch'ye project" and "project" mean the Cooperative Threat Reduction (CTR) Program chemical weapons destruction project located in the area of Shchuch'ye in Russia.

SEC. 1305. REPEAL OF RESTRICTIONS ON COOPERATIVE THREAT REDUCTION PROGRAM.

(a) SOVIET NUCLEAR THREAT REDUCTION ACT OF 1991.—Section 211(b) of the Soviet Nuclear Threat Reduction Act of 1991 (title II of Public Law 102-228; 22 U.S.C. 2551 note) is repealed.

(b) COOPERATIVE THREAT REDUCTION ACT OF 1993.—Section 1203(d) of the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103-160; 22 U.S.C. 5952(d)) is repealed.

(c) RUSSIAN CHEMICAL WEAPONS DESTRUCTION FACILITIES.—Section 1305 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 22 U.S.C. 5952 note) is repealed.

SEC. 1306. AUTHORITY TO USE COOPERATIVE THREAT REDUCTION FUNDS OUTSIDE THE FORMER SOVIET UNION.

(a) MODIFICATION OF CERTIFICATION REQUIREMENT.—Section 1308 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136; 22 U.S.C. 5963) is amended in subsection (a)—

(1) by striking "the President may" and inserting "the Secretary of Defense may"; and

(2) by striking "if the President" and inserting "if the Secretary of Defense, with the concurrence of the Secretary of State,".

(b) REPEAL OF FUNDING LIMITATION.—Section 1308 of that Act is further amended by striking subsection (c).

(c) CONGRESSIONAL NOTICE REQUIREMENT.—Section 1308 of that Act is further amended in subsection (d)—

(1) in paragraph (1)—

(A) by striking "The President may not" and inserting "The Secretary of Defense may not"; and

(B) by striking "until the President" and inserting "until the Secretary of Defense";

(2) in paragraph (2)—

(A) by striking "Not later than 10 days after" and inserting "Not later than 15 days prior to";

(B) by striking "the President shall" and inserting "the Secretary of Defense shall"; and

(C) by striking "Congress" and inserting "the Committee on Armed Services and the Committee on Foreign Affairs of the House of Representatives and the Committee on Armed Services and Committee on Foreign Relations of the Senate"; and

(3) by adding at the end the following:

"(3) In the case of a situation that threatens human life or safety or where a delay would severely undermine the national security of the United States, notification under paragraph (2) shall be made not later than 10 days after obligating funds under the authority in subsection (a) for a project or activity.".

TITLE XIV—WOUNDED WARRIOR ASSISTANCE

Sec. 1401. Definitions.

Subtitle A—Improved Assistance for Wounded Warriors

Sec. 1411. Improvements to medical and dental care for members of the Armed Forces assigned to hospitals in an outpatient status.
Sec. 1412. Establishment of a Department of Defense-wide Ombudsman Office.
Sec. 1413. Establishment of toll-free hot line for reporting deficiencies in medical-related support facilities and expedited response to reports of deficiencies.
Sec. 1414. Notification to Congress of hospitalization of combat wounded service members.
Sec. 1415. Independent medical advocate for members before medical evaluation boards.
Sec. 1416. Training and workload for physical evaluation board liaison officers.
Sec. 1417. Standardized training program and curriculum for Department of Defense disability evaluation system.

Sec. 1418. Improved training for health care professionals, medical care case managers, and service member advocates on particular conditions of recovering service members.
Sec. 1419. Pilot program to establish an Army Wounded Warrior Battalion at an appropriate active duty base.
Sec. 1420. Criteria for removal of member from temporary disability retired list.
Sec. 1421. Improved transition of members of the Armed Forces to Department of Veterans Affairs upon retirement or separation.
Sec. 1422. Establishment of Medical Support Fund for support of members of the Armed Forces returning to military service or civilian life.
Sec. 1423. Oversight Board for Wounded Warriors.
Sec. 1424. Option for members of reserve components to use military medical treatment facilities closest to home for certain injuries.
Sec. 1425. Plans and research for reducing post traumatic stress disorder.

Subtitle B—Studies and Reports

Sec. 1431. Annual report on military medical facilities.
Sec. 1432. Access of recovering service members to adequate outpatient residential facilities.
Sec. 1433. Evaluation and report on Department of Defense and Department of Veterans Affairs disability evaluation systems.
Sec. 1434. Study and report on support services for families of recovering service members.
Sec. 1435. Report on traumatic brain injury classifications.
Sec. 1436. Evaluation of the Polytrauma Liaison Officer/Non-Commissioned Officer Program.
Sec. 1437. Study and report on standard soldier patient tracking system.
Sec. 1438. Study and report on waiting periods for appointments at Department of Veterans Affairs medical facilities.

Subtitle C—General Provisions

Sec. 1451. Moratorium on conversion to contractor performance of Department of Defense functions at military medical facilities.
Sec. 1452. Prohibition on transfer of resources from medical care.
Sec. 1453. Increase in physicians at hospitals of the Department of Veterans Affairs.

1 ***SEC. 1401. DEFINITIONS.***

2 *In this title:*

3 *(1) CONGRESSIONAL DEFENSE COMMITTEES.—*
4 *The term "congressional defense committees" has the*
5 *meaning given that term in section 101(a)(16) of title*
6 *10, United States Code.*

7 *(2) DISABILITY EVALUATION SYSTEM.—The term*
8 *"disability evaluation system" means the Department*

of Defense system or process for evaluating the nature of and extent of disabilities affecting members of the armed forces (other than the Coast Guard) and comprised of medical evaluation boards, physical evaluation boards, counseling of members, and final disposition by appropriate personnel authorities, as operated by the Secretaries of the military departments, and, in the case of the Coast Guard, a similar system or process operated by the Secretary of Homeland Security.

(3) FAMILY MEMBER.—The term "family member", with respect to a recovering service member, has the meaning given that term in section 411h(b) of title 37, United States Code.

(4) RECOVERING SERVICE MEMBER.—The term "recovering service member" means a member of the Armed Forces, including a member of the National Guard or a Reserve, who is undergoing medical treatment, recuperation, or therapy, or is otherwise in medical hold or holdover status, for an injury, illness, or disease incurred or aggravated while on active duty in the Armed Forces.

(5) MEDICAL CARE.—The term "medical care" includes mental health care.

Subtitle A—Improved Assistance for Wounded Warriors

SEC. 1411. IMPROVEMENTS TO MEDICAL AND DENTAL CARE FOR MEMBERS OF THE ARMED FORCES ASSIGNED TO HOSPITALS IN AN OUTPATIENT STATUS.

(a) MEDICAL AND DENTAL CARE OF MEMBERS ASSIGNED TO HOSPITALS IN AN OUTPATIENT STATUS.—

(1) IN GENERAL.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1074k the following new section:

"§ 1074l. Management of medical and dental care: members assigned to receive care in an outpatient status

"(a) MEDICAL CARE CASE MANAGERS.—(1) A member in an outpatient status at a military medical treatment facility shall be assigned a medical care case manager.

"(2)(A) The duties of the medical care case manager shall include the following with respect to the member (or the member's immediate family if the member is incapable of making judgments about personal medical care):

"(i) To assist in understanding the member's medical status.

"(ii) To assist in receiving prescribed medical care.

"(iii) To conduct a review, at least once a week, of the member's medical status.

"(B) The weekly medical status review described in subparagraph (A)(iii) shall be conducted in person with the member. If such a review is not practicable, the medical care case manager shall provide a written statement to the case manager's supervisor indicating why an in-person medical status review was not possible.

"(3)(A) Except as provided in subparagraph (B), each medical care case manager shall be assigned to manage not more than 17 members in an outpatient status.

"(B) The Secretary concerned may waive for up to 120 days the requirement of subparagraph (A) if required due to unforeseen circumstances.

"(4)(A) The medical care case manager office at each facility shall be headed by a commissioned officer of appropriate rank and appropriate military occupation specialty, designator, or specialty code.

"(B) For purposes of subparagraph (A), an appropriate military occupation specialty, designator, or specialty code includes membership in the Army Medical Corps, Army Medical Service Corps, Army Nurse Corps, Navy Medical Corps, Navy Medical Service Corps, Navy Nurse Corps, Air Force Medical Service, or other corps com-

prised of health care professionals at the discretion of the Secretary of Defense.

"(5) The Secretary of Defense shall establish a standard training program and curriculum for medical care case managers. Successful completion of the training program is required before a person may assume the duties of a medical care case manager.

"(6) The Secretary concerned shall ensure that medical care case managers have the resources necessary to ensure that they expeditiously carry out the responsibilities and duties of their position.

"(b) SERVICE MEMBER ADVOCATE.—(1) A member in an outpatient status shall be assigned a service member advocate.

"(2) The duties of the service member advocate shall include—

"(A) communicating with the member and with the member's family or other individuals designated by the member;

"(B) assisting with oversight of the member's welfare and quality of life; and

"(C) assisting the member in resolving problems involving financial, administrative, personnel, transitional, and other matters.

"(3)(A) Except as provided in subparagraph (B), each service member advocate shall be assigned to not more than 30 members in an outpatient status.

"(B) The Secretary concerned may waive for up to 120 days the requirement of subparagraph (A) if required due to unforeseen circumstances.

"(4) The service member advocate office at each facility shall be headed by a commissioned officer of appropriate rank and appropriate military occupation specialty, designator, or specialty code in order to handle service-specific personnel and financial issues.

"(5) The Secretary of Defense shall establish a standard training program and curriculum for service member advocates. Successful completion of the training program is required before a person may assume the duties of a service member advocate.

"(6) A service member advocate shall continue to perform the duties described in paragraph (2) with respect to a member until the member is returned to duty or separated or retired from the armed forces.

"(7) The Secretary concerned shall ensure that service member advocates have the resources necessary to ensure that they expeditiously carry out the responsibilities and duties of their position.

"(c) OUTREACH.—The Secretary of Defense shall make available to each member in an outpatient status at a military medical treatment facility, and to the family members of all such members, information on the availability of services provided by the medical care case managers and service member advocates, including information on how to contact such managers and advocates and how to use their services.

"(d) SEMIANNUAL SURVEYS BY SECRETARIES CONCERNED.—The Secretary concerned shall conduct a semiannual survey of members in an outpatient status at installations under the Secretary's supervision. The survey shall include, at a minimum, the members' assessment of the quality of medical care at the facility, the timeliness of medical care at the facility, the adequacy of living facilities and other quality of life programs, the adequacy of case management support, and the fairness and timeliness of the physical disability evaluation system. The survey shall be conducted in coordination with installation medical commanders and authorities, and shall be coordinated with such commanders and authorities before submission to the Secretary.

"(e) DEFINITIONS.—In this section:

"(1) The term 'member in an outpatient status' means a member of the armed forces assigned to a military medical treatment facility as an outpatient

or to a unit established for the purpose of providing command and control of members receiving medical care as outpatients.

"(2) The term 'disability evaluation system' means the Department of Defense system or process for evaluating the nature of and extent of disabilities affecting members of the armed forces (other than the Coast Guard) and comprised of medical evaluation boards, physical evaluation boards, counseling of members, and final disposition by appropriate personnel authorities, as operated by the Secretaries of the military departments, and, in the case of the Coast Guard, a similar system or process operated by the Secretary of Homeland Security.".

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

"1074l. Management of medical and dental care: members assigned to receive care in an outpatient status.".

(b) EFFECTIVE DATE.—Section 1074l of title 10, United States Code, as added by subsection (a), shall take effect 180 days after the date of the enactment of this Act.

SEC. 1412. ESTABLISHMENT OF A DEPARTMENT OF DEFENSE-WIDE OMBUDSMAN OFFICE.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a Department of Defense-wide Ombudsman Office

(in this section referred to as the "Ombudsman Office") within the Office of the Secretary of Defense.

(b) FUNCTIONS.—

(1) IN GENERAL.—The functions of the Ombudsman Office are to provide policy guidance to, and oversight of, the ombudsman offices in the military departments.

(2) POLICY GUIDANCE.—The Ombudsman Office shall develop policy guidance with respect to the following:

(A) Providing assistance to and answering questions from recovering service members and their families regarding—

(i) administrative processes, financial matters, and non-military related services available to the members and their families throughout the member's evaluation, treatment, and recovery;

(ii) transfer to the care of the Department of Veterans Affairs; and

(iii) support services available upon the member's return home.

(B) Accountability standards, including—

(i) creating and maintaining case files for individual specific questions received,

and initiating inquiries and tracking responses for all such questions;

(ii) setting standards for timeliness of responses; and

(iii) setting standards for accountability to recovering service members and their families, including requirements for daily updates to the members and their families about steps being taken to alleviate problems and concerns until problems are addressed.

(c) STATUS REPORTS.—The ombudsman office in each military department shall submit status reports of actions taken to address individual concerns to the Ombudsman Office, at such times as the Ombudsman Office considers appropriate.

(d) RESPONSES FROM OTHER OFFICES.—The Secretary of Defense shall ensure that all other offices within the Department of Defense and the military departments respond in a timely manner to resolve questions and requests from the Ombudsman Office on behalf of recovering service members and their families, including offices responsible for medical matters (including medical holdover processes), financial and accounting matters, legal matters, human resources matters, reserve component matters, in-

stallation and management matters, and physical disability matters.

(e) STAFF OF THE OFFICE.—The staff of the Ombudsman Office shall include representatives from each military department, including persons with experience in medical holdover processes and other medical matters.

SEC. 1413. ESTABLISHMENT OF TOLL-FREE HOT LINE FOR REPORTING DEFICIENCIES IN MEDICAL-RELATED SUPPORT FACILITIES AND EXPEDITED RESPONSE TO REPORTS OF DEFICIENCIES.

(a) ESTABLISHMENT.—Chapter 80 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1567. Identification and investigation of deficiencies in adequacy, quality, and state of repair of medical-related support facilities

"(a) TOLL-FREE HOT LINE.—The Secretary of Defense shall establish and maintain a toll-free telephone number (commonly referred to as a 'hot line') at which personnel are accessible at all times to collect, maintain, and update information regarding possible deficiencies in the adequacy, quality, and state of repair of medical-related support facilities. The Secretary shall widely disseminate information regarding the existence and availability of the toll-free tele-

phone number to members of the armed forces and their dependents.

"(b) CONFIDENTIALITY.—(1) Individuals who seek to provide information through use of the toll-free telephone number under subsection (a) shall be notified, immediately before they provide such information, of their option to elect, at their discretion, to have their identity remain confidential.

"(2) In the case of information provided through use of the toll-free telephone number by an individual who elects to maintain the confidentiality of his or her identity, any individual who, by necessity, has had access to such information for purposes of conducting the investigation or executing the response plan required by subsection (c) may not disclose the identity of the individual who provided the information.

"(c) INVESTIGATION AND RESPONSE PLAN.—Not later than 96 hours after a report of deficiencies in the adequacy, quality, or state of repair of a medical-related support facility is received by way of the toll-free telephone number or other source, the Secretary of Defense shall ensure that—

"(1) the deficiencies referred to in the report are investigated; and

"(2) if substantiated, a plan of action for remediation of the deficiencies is developed and implemented.

"(d) RELOCATION.—If the Secretary of Defense determines, on the basis of the investigation conducted in response to a report of deficiencies at a medical-related support facility, that conditions at the facility violate health and safety standards, the Secretary shall relocate the occupants of the facility while the violations are corrected.

"(e) MEDICAL-RELATED SUPPORT FACILITY DEFINED.—In this section, the term 'medical-related support facility' means any facility of the Department of Defense that provides support to any of the following:

"(1) Members of the armed forces admitted for treatment to a military medical treatment facility.

"(2) Members of the armed forces assigned to a military medical treatment facility as an outpatient.

"(3) Family members accompanying any member described in paragraph (1) or (2) as a nonmedical attendant.".

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

"1567. Identification and investigation of deficiencies in adequacy, quality, and state of repair of medical-related support facilities.".

(c) EFFECTIVE DATE.—The toll-free telephone number required to be established by section 1567 of title 10, United States Code, as added by subsection (a), shall be fully operational not later than 180 days after the date of the enactment of this Act.

SEC. 1414. NOTIFICATION TO CONGRESS OF HOSPITALIZATION OF COMBAT WOUNDED SERVICE MEMBERS.

(a) NOTIFICATION REQUIRED.—Chapter 55 of title 10, United States Code, is further amended by inserting after section 1074l the following new section:

"§ 1074m. Notification to Congress of hospitalization of combat wounded members

"(a) NOTIFICATION REQUIRED.—The Secretary concerned shall provide notification of the hospitalization of any member of the armed forces evacuated from a theater of combat to the appropriate Members of Congress.

"(b) APPROPRIATE MEMBERS.—In this section, the term 'appropriate Members of Congress', with respect to the member of the armed forces about whom notification is being made, means the Senators and the Members of the House of Representatives representing the States or districts, respectively, that include the member's home of record and, if different, the residence of the next of kin, or a different location as provided by the member.

"(c) CONSENT OF MEMBER REQUIRED.—The notification under subsection (a) may be provided only with the consent of the member of the armed forces about whom notification is to be made. In the case of a member who is unable to provide consent, information and consent may be provided by next of kin.".

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

"1074m. Notification to Congress of hospitalization of combat wounded members.".

SEC. 1415. INDEPENDENT MEDICAL ADVOCATE FOR MEMBERS BEFORE MEDICAL EVALUATION BOARDS.

(a) ASSIGNMENT OF INDEPENDENT MEDICAL ADVOCATE.—Section 1222 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) INDEPENDENT MEDICAL ADVOCATE FOR MEMBERS BEFORE MEDICAL EVALUATION BOARDS.—(1) The Secretary of each military department shall ensure, in the case of any member of the armed forces being considered by a medical evaluation board under that Secretary's supervision, that the member has access to a physician or other appropriate health care professional who is independent of the medical evaluation board.

"(2) The physician or other health care professional assigned to a member shall—

"(A) serve as an advocate for the best interests of the member; and

"(B) provide the member with advice and counsel regarding the medical condition of the member and the findings and recommendations of the medical evaluation board.".

(b) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended to read as follows:

"§ 1222. Physical evaluation boards and medical evaluation boards".

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 61 of such title is amended by striking the item relating to section 1222 and inserting the following new item:

"1222. Physical evaluation boards and medical evaluation boards.".

(c) EFFECTIVE DATE.—Subsection (d) of section 1222 of title 10, United States Code, as added by subsection (a), shall apply with respect to medical evaluation boards convened after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 1416. TRAINING AND WORKLOAD FOR PHYSICAL EVALUATION BOARD LIAISON OFFICERS.

(a) REQUIREMENTS.—Section 1222(b) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking "establishing—" and all that follows through "a requirement" and inserting "establishing a requirement"; and

(B) by striking "that Secretary; and" and all that follows through the end of subparagraph (B) and inserting "that Secretary. A physical evaluation board liaison officer may not be assigned more than 20 members at any one time, except that the Secretary concerned may authorize the assignment of additional members, for not more than 120 days, if required due to unforeseen circumstances.";

(2) in paragraph (2), by inserting after "(2)" the following new sentences: "The Secretary of Defense shall establish a standardized training program and curriculum for physical evaluation board liaison officers. Successful completion of the training program is required before a person may assume the duties of a physical evaluation board liaison officer."; and

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

"(3) In this subsection, the term 'physical evaluation board liaison officer' includes any person designated as, or assigned the duties of, an assistant to a physical evaluation board liaison officer.".

(b) EFFECTIVE DATE.—The limitation on the maximum number of members of the Armed Forces who may be assigned to a physical evaluation board liaison officer shall take effect 180 days after the date of the enactment of this Act. The training program and curriculum for physical evaluation board liaison officers shall be implemented not later than 180 days after the date of the enactment of this Act.

SEC. 1417. STANDARDIZED TRAINING PROGRAM AND CURRICULUM FOR DEPARTMENT OF DEFENSE DISABILITY EVALUATION SYSTEM.

(a) TRAINING PROGRAM REQUIRED.—Section 1216 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) The Secretary of Defense shall establish a standardized training program and curriculum for persons described in paragraph (2) who are involved in the disability evaluation system. The training under the program shall be provided as soon as practicable in coordination with other training associated with the responsibilities of the person.

"(2) Persons covered by paragraph (1) include—

"(A) Commanders.

"(B) Enlisted members who perform supervisory functions.

"(C) Health care professionals.

"(D) Others persons with administrative, professional, or technical responsibilities in the disability evaluation system.

"(3) In this subsection, the term 'disability evaluation system' means the Department of Defense system or process for evaluating the nature of and extent of disabilities affecting members of the armed forces (other than the Coast Guard) and comprised of medical evaluation boards, physical evaluation boards, counseling of members, and final disposition by appropriate personnel authorities, as operated by the Secretaries of the military departments, and, in the case of the Coast Guard, a similar system or process operated by the Secretary of Homeland Security.".

(b) EFFECTIVE DATE.—The standardized training program and curriculum required by subsection (e) of section 1216 of title 10, United States Code, as added by subsection (a), shall be established not later than 180 days after the date of the enactment of this Act.

SEC. 1418. IMPROVED TRAINING FOR HEALTH CARE PROFESSIONALS, MEDICAL CARE CASE MANAGERS, AND SERVICE MEMBER ADVOCATES ON PARTICULAR CONDITIONS OF RECOVERING SERVICE MEMBERS.

(a) RECOMMENDATIONS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the appropriate congressional committees a report setting forth recommendations for the improvement of the training provided to health care professionals, medical care case managers, and service member advocates who provide care for or assistance to recovering service members. The recommendations shall include, at a minimum, specific recommendations to ensure that such health care professionals, medical care case managers, and service member advocates are adequately trained and able to detect early warning signs of post-traumatic stress disorder (PTSD), suicidal or homicidal thoughts or behaviors, and other behavioral health concerns among recovering service members and make prompt notification to the appropriate health care professionals.

(b) ANNUAL REVIEW OF TRAINING.—Not later than 180 days after the date of the enactment of this Act and annually thereafter throughout the global war on terror, the Secretary shall submit to the appropriate congressional committees a report on the following:

(1) The progress made in providing the training recommended under subsection (a).

(2) The quality of training provided to health care professionals, medical care case managers, and service member advocates, and the number of such professionals, managers, and advocates trained.

(3) The progress made in developing the tracking system under subsection (c) and the results of the system.

(c) TRACKING SYSTEM.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall develop a system to track the number of notifications made by medical care case managers and service member advocates to health care professionals regarding early warning signs of post-traumatic stress disorder and suicide in recovering service members assigned to the managers and advocates.

SEC. 1419. PILOT PROGRAM TO ESTABLISH AN ARMY WOUNDED WARRIOR BATTALION AT AN APPROPRIATE ACTIVE DUTY BASE.

(a) PILOT PROGRAM REQUIRED.—

(1) ESTABLISHMENT.—The Secretary of the Army shall establish a pilot program, at an appropriate active duty base with a major medical facility, based on the Wounded Warrior Regiment program of

the Marine Corps. The pilot program shall be known as the Army Wounded Warrior Battalion.

(2) PURPOSE.—Under the pilot program, the Battalion shall track and assist members of the Armed Forces in an outpatient status who are still in need of medical treatment through—

(A) the course of their treatment;

(B) medical and physical evaluation boards;

(C) transition back to their parent units; and

(D) medical retirement and subsequent transition into the Department of Veterans Affairs medical system.

(3) ORGANIZATION.—The commanding officer of the Battalion shall be selected by the Army Chief of Staff and shall be a post-command, at O–5 or O–5 select, with combat experience in Operation Iraqi Freedom or Operation Enduring Freedom. The chain-of-command shall be filled by previously wounded junior officers and non-commissioned officers when available and appropriate.

(4) FACILITIES.—The base selected for the pilot program shall provide adequate physical infrastructure to house the Army Wounded Warrior Battalion.

Any funds necessary for construction or renovation of existing facilities shall be allocated from the Department of Defense Medical Support Fund established under this title.

(5) COORDINATION.—The Secretary of the Army shall consult with appropriate Marine Corps counterparts to ensure coordination of best practices and lessons learned.

(6) PERIOD OF PILOT PROGRAM.—The pilot program shall be in effect for a period of one year.

(b) REPORTING REQUIREMENT.—Not later than 90 days after the end of the one-year period for the pilot project, the Secretary of the Army shall submit to Congress a report containing—

(1) an evaluation of the results of the pilot project;

(2) an assessment of the Army's ability to establish Wounded Warrior Battalions at other major Army bases.

(3) recommendations regarding—

(A) the adaptability of the Wounded Warrior Battalion concept for the Army's larger wounded population; and

(B) closer coordination and sharing of resources with counterpart programs of the Marine Corps.

(c) EFFECTIVE DATE.—The pilot program required by this section shall be implemented not later than 180 days after the date of the enactment of this Act.

SEC. 1420. CRITERIA FOR REMOVAL OF MEMBER FROM TEMPORARY DISABILITY RETIRED LIST.

(a) CRITERIA.—Section 1210(e) of title 10, United States Code, is amended by inserting "of a permanent nature and stable and is" after "physical disability is".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to any case received for consideration by a physical evaluation board after the date of the enactment of this Act.

SEC. 1421. IMPROVED TRANSITION OF MEMBERS OF THE ARMED FORCES TO DEPARTMENT OF VETERANS AFFAIRS UPON RETIREMENT OR SEPARATION.

(a) TRANSITION OF MEMBERS SEPARATED OR RETIRED.—

(1) TRANSITION PROCESS.—Chapter 58 of title 10, United States Code, is amended by inserting after section 1142 the following new section:

"§ 1142a. Process for transition of members to health care and physical disability systems of Department of Veterans Affairs

"(a) TRANSITION PLAN.—(1) The Secretary of Defense shall ensure that each member of the armed forces who is being separated or retired under chapter 61 of this title receives a written transition plan that—

"(A) specifies the recommended schedule and milestones for the transition of the member from military service; and

"(B) provides for a coordinated transition of the member from the Department of Defense disability system to the Department of Veterans Affairs.

"(2) A member being separated or retired under chapter 61 of this title shall receive the transition plan before the separation or retirement date of the member.

"(3) The transition plan for a member under this subsection shall include information and guidance designed to assist the member in understanding and meeting the schedule and milestones for the member's transition.

"(b) FORMAL TRANSITION PROCESS.—(1) The Secretary of Defense, in cooperation with the Secretary of Veterans Affairs, shall establish a formal process for the transmittal to the Secretary of Veterans Affairs of the records and other information described in paragraph (2) as part

of the separation or retirement of a member of the armed forces under chapter 61 of this title.

"(2) The records and other information to be transmitted under paragraph (1) with respect to a member shall include, at a minimum, the following:

"(A) The member's address and contact information.

"(B) The member's DD–214 discharge form, which shall be transmitted electronically.

"(C) A copy of the member's service record, including medical records and any results of a Physical Evaluation Board.

"(D) Whether the member is entitled to transitional health care, a conversion health policy, or other health benefits through the Department of Defense under section 1145 of this title.

"(E) Any requests by the member for assistance in enrolling in, or completed applications for enrollment in, the health care system of the Department of Veterans Affairs for health care benefits for which the member may be eligible under laws administered by the Secretary of Veterans Affairs.

"(F) Any requests by the member for assistance in applying for, or completed applications for, compensation and vocational rehabilitation benefits to

which the member may be entitled under laws administered by the Secretary of Veterans Affairs, if the member is being medically separated or is being retired under chapter 61 of this title.

"(3) The transmittal of information under paragraph (1) may be subject to the consent of the member, as required by statute.

"(4) With the consent of the member, the member's address and contact information shall also be submitted to the department or agency for veterans affairs of the State in which the member intends to reside after the separation or retirement of the member.

"(c) MEETING.—(1) The formal process required by subsection (b) for the transmittal of records and other information with respect to a member shall include a meeting between representatives of the Secretary concerned and the Secretary of Veterans Affairs, which shall take place at a location designated by the Secretaries. The member shall be informed of the meeting at least 30 days in advance of the meeting, except that the member may waive the notice requirement in order to accelerate transmission of the member's records and other information to the Department of Veterans Affairs.

"(2) A member shall be given an opportunity to submit a written statement for consideration by the Secretary of Veterans Affairs.

"(d) TIME FOR TRANSMITTAL OF RECORDS.—The Secretary concerned shall provide for the transmittal to the Department of Veterans Affairs of records and other information with respect to a member at the earliest practicable date. In no case should the transmittal occur later than the date of the separation or retirement of the member.

"(e) ARMED FORCES.—In this section, the term 'armed forces' means the Army, Navy, Air Force, and Marine Corps.".

(2) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1142 the following new item:

"1142a. Process for transition of members to health care and physical disability systems of Department of Veterans Affairs.".

(b) UNIFORM SEPARATION AND EVALUATION PHYSICAL.—Section 1145 of such title is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) UNIFORM SEPARATION AND EVALUATION PHYSICAL.—The joint separation and evaluation physical, as de-

scribed in DD–2808 and DD–2697, shall be used by the Secretary of Defense in connection with the medical separation or retirement of all members of the armed forces, including members separated or retired under chapter 61 of this title. The Secretary of Veterans Affairs shall adopt the same separation and evaluation physical for use by the Department of Veterans Affairs.".

(c) INTEROPERABILITY OF CRITICAL MEDICAL INFORMATION AND BI-DIRECTIONAL ACCESS.—

(1) INTEROPERABILITY AND ACCESS IMPROVEMENT.—The Secretary of Defense and Secretary of Veterans Affairs shall jointly establish and implement a process to ensure an interoperable, bi-directional, real-time exchange of critical medical information between the Department of Defense and the Department of Veterans Affairs.

(2) CRITICAL MEDICAL INFORMATION DEFINED.—In this subsection, the term "critical medical information" includes, at a minimum, outpatient notes, clinical notes, radiographs, laboratory data, information regarding medications, operation notes, narrative summaries, and discharge summaries.

(d) CO-LOCATION OF VA BENEFIT TEAMS.—

(1) CO-LOCATION.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly deter-

mine the optimal locations for the deployment of Department of Veterans Affairs benefits team to support recovering service members assigned to military medical treatment facilities, medical-related support facilities, and community-based health care organizations.

(2) MILITARY MEDICAL TREATMENT FACILITY DEFINED.—In this subsection, the term "medical-related support facility" has the meaning given that term in subsection (b) of section 492 of title 10, United States Code, as added by section 1431(a).

(e) REPEAL OF SUPERSEDED CHAPTER 61 MEDICAL RECORD TRANSMITTAL REQUIREMENT.—

(1) REPEAL.—Section 1142 of such title is amended by striking subsection (c).

(2) SECTION HEADING.—The heading of such section is amended to read as follows:

"§ 1142. Preseparation counseling".

(3) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 58 of such title is amended by striking the item relating to section 1142 and inserting the following new item:

"1142. Preseparation counseling.".

(f) EFFECTIVE DATES.—Section 1142a of title 10, United States Code, as added by subsection (a), and subsection (d) of section 1145 of such title, as added by sub-

section (b), shall apply with respect to members of the Armed Forces who are separated or retired from the Armed Forces on or after the first day of the eighth month beginning after the date of the enactment of this Act. The requirements of subsections (c) and (d), and the amendments made by subsection (e), shall take effect on the first day of such eighth month.

SEC. 1422. ESTABLISHMENT OF MEDICAL SUPPORT FUND FOR SUPPORT OF MEMBERS OF THE ARMED FORCES RETURNING TO MILITARY SERVICE OR CIVILIAN LIFE.

(a) ESTABLISHMENT AND PURPOSE.—There is established on the books of the Treasury a fund to be known as the Department of Defense Medical Support Fund (hereinafter in this section referred to as the "Fund"), which shall be administered by the Secretary of the Treasury.

(b) PURPOSES.—The Fund shall be used—

(1) to support programs and activities relating to the medical treatment, care, rehabilitation, recovery, and support of wounded and injured members of the Armed Forces and their return to military service or transition to civilian society; and

(2) to support programs and facilities intended to support the families of wounded and injured members of the Armed Forces.

(c) ASSETS OF FUND.—There shall be deposited into the Fund any amount appropriated to the Fund, which shall constitute the assets of the Fund.

(d) TRANSFER OF FUNDS.—

(1) AUTHORITY TO TRANSFER.—The Secretary of Defense may transfer amounts in the Fund to appropriations accounts for military personnel; operation and maintenance; procurement; research, development, test, and evaluation; military construction; and the Defense Health Program. Amounts so transferred shall be merged with and available for the same purposes and for the same time period as the appropriation account to which transferred.

(2) ADDITION TO OTHER AUTHORITY.—The transfer authority provided in paragraph (1) is in addition to any other transfer authority available to the Department of Defense. Upon a determination that all or part of the amounts transferred from the Fund are not necessary for the purposes for which transferred, such amounts may be transferred back to the Fund.

(3) NOTIFICATION.—The Secretary of Defense shall, not fewer than five days before making a transfer from the Fund, notify the congressional defense committees in writing of the details of the transfer.

The Secretary shall provide an summary of transfers from the Fund during a fiscal year in the defense budget materials accompanying the budget for that fiscal year submitted by the President under section 1105(a) of title 31, United States Code.

(e) WOUNDED WARRIOR REGIMENT PROGRAM.—The Secretary of Defense shall ensure that $10,000,000 for fiscal year 2008 is transferred from the Medical Support Fund to support programs, activities, and facilities associated with the Marine Corps Wounded Warrior Regiment program, to be used as follows:

(1) $6,550,000 for Case Management and Patient Support.

(2) $1,200,000 for Wounded Warrior Interim Regimental Headquarters Building conversion.

(3) $1,300,000 for Case Management System Development.

(4) $95,000 for Support Equipment.

(f) FUNDING.—Of the amounts authorized to be appropriated pursuant to section 421 for military personnel accounts, $50,000,000 is authorized for the Department of Defense Medical Support Fund. Such funds shall remain available through September 30, 2008.

SEC. 1423. OVERSIGHT BOARD FOR WOUNDED WARRIORS.

(a) ESTABLISHMENT.—There is hereby established a board to be known as the Oversight Board for Wounded Warriors (in this section referred to as the "Oversight Board").

(b) COMPOSITION.—The Oversight Board shall be composed of 12 members, of whom—

(1) two shall be appointed by the majority leader of the Senate;

(2) two shall be appointed by the minority leader of the Senate;

(3) two shall be appointed by the Speaker of the House of Representatives;

(4) two shall be appointed by the minority leader of the House of Representatives;

(5) two shall be appointed by the Secretary of Veterans Affairs; and

(6) two shall be appointed by the Secretary of Defense.

(c) QUALIFICATIONS.—All members of the Oversight Board shall have sufficient knowledge of, or experience with, the military healthcare system, the disability evaluation system, or the experience of a recovering service member or family member of a recovering service member.

(d) APPOINTMENT.—

(1) TERM.—Each member of the Oversight Board shall be appointed for a term of three years. A member may be reappointed for one or more additional terms.

(2) VACANCIES.—Any vacancy in the Oversight Board shall be filled in the same manner in which the original appointment was made.

(e) DUTIES.—

(1) ADVICE AND CONSULTATION.—The Oversight Board shall provide advice and consultation to the Secretary of Defense and the Committees on Armed Services of the Senate and the House of Representatives regarding—

(A) the process for streamlining the disability evaluation systems of the military departments;

(B) the process for correcting and improving the ratios of case managers and service member advocates to recovering service members;

(C) the need to revise Department of Defense policies to improve the experience of recovering service members while under Department of Defense care;

(D) the need to revise Department of Defense policies to improve counseling, outreach,

and general services provided to family members of recovering service members;

(E) the need to revise Department of Defense policies regarding the provision of quality lodging to recovering service members; and

(F) such other matters relating to the evaluation and care of recovering service members, including evaluation under disability evaluation systems, as the Board considers appropriate.

(2) VISITS TO MILITARY MEDICAL TREATMENT FACILITIES.—In carrying out its duties, each member of the Oversight Board shall visit not less than three military medical treatment facilities each year, and the Board shall conduct each year one meeting of all the members of the Board at a military medical treatment facility.

(f) STAFF.—The Secretary shall make available the services of at least two officials or employees of the Department of Defense to provide support and assistance to members of the Oversight Board.

(g) TRAVEL EXPENSES.—Members of the Oversight Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places

of business in the performance of service for the Oversight Board.

(h) ANNUAL REPORTS.—The Oversight Board shall submit to the Secretary of Defense and the Committees on Armed Services of the Senate and the House of Representatives each year a report on its activities during the preceding year, including any findings and recommendations of the Oversight Board as a result of such activities.

SEC. 1424. OPTION FOR MEMBERS OF RESERVE COMPONENTS TO USE MILITARY MEDICAL TREATMENT FACILITIES CLOSEST TO HOME FOR CERTAIN INJURIES.

The Secretary of Defense shall expand the opportunities for recovering service members of the reserve components to receive treatment on an outpatient basis at a military medical treatment facility or other location designated by the Secretary closest to the member's home rather than closest to the base from which the member was deployed.

SEC. 1425. PLANS AND RESEARCH FOR REDUCING POST TRAUMATIC STRESS DISORDER.

(a) PLANS FOR REDUCING POST TRAUMATIC STRESS DISORDER.—

(1) PLAN FOR PREVENTION.—

(A) IN GENERAL.—The Secretary of Defense shall develop a plan to incorporate evidence-

based preventive and early-intervention measures, practices, or procedures that reduce the likelihood that personnel in combat will develop post-traumatic stress disorder or other stress-related psychopathologies (including substance use conditions) into—

(i) basic and pre-deployment training for enlisted members of the Armed Forces, noncommissioned officers, and officers;

(ii) combat theater operations; and

(iii) post-deployment service.

(B) UPDATES.—The Secretary of Defense shall update the plan under subparagraph (A) periodically to incorporate, as the Secretary considers appropriate, the results of relevant research, including research conducted pursuant to subsection (b).

(2) RESEARCH.—Subject to subsection (b), the Secretary of Defense shall develop a plan, in consultation with the Department of Veterans Affairs, the National Institutes of Health, and the National Academy of Sciences, to conduct such research as is necessary to develop the plan described in paragraph (1).

(b) EVIDENCE-BASED RESEARCH AND TRAINING.—

(1) WORKING GROUP.—The Secretary of Defense shall conduct a study, in coordination with the Department of Veterans Affairs, the National Institutes of Health, and the National Academy of Sciences' Institute of Medicine, to determine the feasibility of establishing a working group tasked with researching and developing evidence-based measures, practices, or procedures that reduce the likelihood that personnel in combat will develop post-traumatic stress disorder or other stress-related psychological pathologies (including substance use conditions). The working group shall include personnel with experience in a combat theater, and behavioral health personnel who have experience providing treatment to individuals with experience in a combat theater.

(2) PEER-REVIEWED RESEARCH PROGRAM.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a plan for a peer-reviewed research program within the Defense Health Program's research and development function to research and develop evidence-based preventive and early intervention measures, practices, or procedures that reduce the likelihood that personnel in combat will develop post-traumatic stress

disorder or other stress-related psychopathologies (including substance use conditions).

(c) REPORT.—The Secretary of Defense shall submit to Congress a report on the plans and studies required under this section.

Subtitle B—Studies and Reports

SEC. 1431. ANNUAL REPORT ON MILITARY MEDICAL FACILITIES.

(a) IN GENERAL.—

(1) REPORT REQUIREMENT.—Chapter 23 of title 10, United States Code, as amended by this Act, is further amended by adding at the end the following new section:

"§ 492. Annual report on military medical facilities

"(a) ANNUAL REPORT.—Not later than the date on which the President submits the budget for a fiscal year to Congress pursuant to section 1105 of title 31, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the adequacy, suitability, and quality of medical facilities and medical-related support facilities at each military installation within the Department of Defense.

"(b) RESPONSE TO HOT-LINE INFORMATION.—The Secretary of Defense shall include in each report information regarding—

"(1) any deficiencies in the adequacy, quality, or state of repair of medical-related support facilities raised as a result of information received during the period covered by the report through the toll-free hot line maintained pursuant to section 1567 of this title; and

"(2) the investigations conducted and plans of action prepared under such section to respond to such deficiencies.

"(c) MEDICAL-RELATED SUPPORT FACILITY.—In this section, the term 'medical-related support facility' is any facility of the Department of Defense that provides support to any of the following:

"(1) Members of the armed forces admitted for treatment to military medical treatment facilities.

"(2) Members of the armed forces assigned to military medical treatment facilities as an outpatient.

"(3) Family members accompanying any member described in paragraph (1) or (2) as a nonmedical attendant.".

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

"492. Annual report on military medical facilities.".

(b) EFFECTIVE DATE.—The first report under section 492 of title 10, United States Code, as added by subsection (a), shall be submitted not later than the date of submission of the budget for fiscal year 2009.

SEC. 1432. ACCESS OF RECOVERING SERVICE MEMBERS TO ADEQUATE OUTPATIENT RESIDENTIAL FACILITIES.

(a) REQUIRED INSPECTIONS OF FACILITIES.—All quarters of the United States and housing facilities under the jurisdiction of the Armed Forces that are occupied by recovering service members shall be inspected on a semi-annual basis for the first two years after the enactment of this Act and annually thereafter by the inspectors general of the regional medical commands.

(b) INSPECTOR GENERAL REPORTS.—The inspector general for each regional medical command shall—

(1) submit a report on each inspection of a facility conducted under subsection (a) to the post commander at such facility, the commanding officer of the hospital affiliated with such facility, the surgeon general of the military department that operates such hospital, the Secretary of the military department concerned, the Assistant Secretary of Defense for Health Affairs, the Oversight Board for Wounded

Warriors established pursuant to section 1423, and the appropriate congressional committees; and

(2) post each such report on the Internet website of such regional medical command.

SEC. 1433. EVALUATION AND REPORT ON DEPARTMENT OF DEFENSE AND DEPARTMENT OF VETERANS AFFAIRS DISABILITY EVALUATION SYSTEMS.

(a) EVALUATION.—The Secretary of Defense and the Secretary of Veterans Affairs shall conduct a joint evaluation of the disability evaluation systems used by the Department of Defense and the Department of Veterans Affairs for the purpose of—

(1) improving the consistency of the two disability evaluation systems; and

(2) evaluating the feasibility of, and potential options for, consolidating the two systems.

(b) RELATION TO VETERANS' DISABILITY BENEFITS COMMISSION.—In conducting the evaluation of the disability evaluation systems used by the Department of Defense and the Department of Veterans Affairs, the Secretary of Defense and the Secretary of Veterans Affairs shall consider the findings and recommendations of the Veterans' Disability Benefits Commission established pursuant to title XV of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 38 U.S.C. 1101 note).

(c) REPORT.—Not later than 180 days after the date of the submission of the final report of the Veterans' Disability Benefits Commission, the Secretary of Defense and the Secretary of Veterans Affairs shall submit to Congress a report containing—

(1) the results of the evaluation; and

(2) the recommendations of the Secretaries for improving the consistency of the two disability evaluation systems and such other recommendations as the Secretaries consider appropriate.

SEC. 1434. STUDY AND REPORT ON SUPPORT SERVICES FOR FAMILIES OF RECOVERING SERVICE MEMBERS.

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study of the provision of support services for families of recovering service members.

(b) MATTERS COVERED.—The study under subsection (a) shall include the following:

(1) A determination of the types of support services that are currently provided by the Department of Defense to family members described in subsection (c), and the cost of providing such services.

(2) A determination of additional types of support services that would be feasible for the Department to provide to such family members, and the

costs of providing such services, including the following types of services:

(A) The provision of medical care at military medical treatment facilities.

(B) The provision of job placement services offered by the Department of Defense to any family member caring for a recovering service member for more than 45 days during a one-year period.

(C) The provision of meals without charge at military medical treatment facilities.

(3) A survey of military medical treatment facilities to estimate the number of family members to whom the support services would be provided.

(4) A determination of any discrimination in employment that such family members experience, including denial of retention in employment, promotion, or any benefit of employment by an employer on the basis of the person's absence from employment as described in subsection (c), and a determination, in consultation with the Secretary of Labor, of the options available for such family members.

(c) COVERED FAMILY MEMBERS.—A family member described in this subsection is a family member of a recovering service member who is—

(1) on invitational orders while caring for the recovering service member;

(2) a non-medical attendee caring for the recovering service member; or

(3) receiving per diem payments from the Department of Defense while caring for the recovering service member.

(d) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the study, with such findings and recommendations as the Secretary considers appropriate.

SEC. 1435. REPORT ON TRAUMATIC BRAIN INJURY CLASSIFICATIONS.

(a) INTERIM REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives an interim report describing the changes undertaken within the Department of Defense to ensure that traumatic brain injury victims receive a proper medical designation concomitant with their injury as opposed to the current medical designation which assigns a generic "organic psychiatric disorder" classification.

(b) FINAL REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a final report concerning traumatic brain injury classifications and an explanation and justification of the Department's use of the international classification of disease (ICD) 9 designation, recommendations for transitioning to ICD 10 or 11, and the benefits the civilian community experiences from using ICD 10.

SEC. 1436. EVALUATION OF THE POLYTRAUMA LIAISON OFFICER/NON-COMMISSIONED OFFICER PROGRAM.

(a) EVALUATION REQUIRED.—The Secretary of Defense shall conduct an evaluation of the Polytrauma Liaison Officer/Non-Commissioned Officer program, which is the program operated by each of the military departments and the Department of Veterans Affairs for the purpose of—

(1) assisting in the seamless transition of members of the Armed Forces from the Department of Defense health care system to the Department of Veterans Affairs system; and

(2) expediting the flow of information and communication between military treatment facilities and the Veterans Affairs Polytrauma Centers.

(b) MATTERS COVERED.—The evaluation of the Polytrauma Liaison Officer/Non-Commissioned Officer program shall include evaluating the following areas:

(1) The program's effectiveness in the following areas:

(A) Handling of military patient transfers.

(B) Ability to access military records in a timely manner.

(C) Collaboration with Polytrauma Center treatment teams.

(D) Collaboration with Veteran Service Organizations.

(E) Functioning as the Polytrauma Center's subject-matter expert on military issues.

(F) Supporting and assisting family members.

(G) Providing education, information, and referrals to members of the Armed Forces and their family members.

(H) Functioning as uniformed advocates for members of the Armed Forces and their family members.

(I) Inclusion in Polytrauma Center meetings.

(J) Completion of required administrative reporting.

(K) Ability to provide necessary administrative support to all members of the Armed Forces.

(2) Manpower requirements to effectively carry out all required functions of the Polytrauma Liaison Officer/Non-Commissioned Officer program given current and expected case loads.

(3) Expansion of the program to incorporate Navy and Marine Corps officers and senior enlisted personnel.

(c) REPORTING REQUIREMENT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing—

(1) the results of the evaluation; and

(2) recommendations for any improvements in the program.

SEC. 1437. STUDY AND REPORT ON STANDARD SOLDIER PATIENT TRACKING SYSTEM.

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study on the feasibility of developing a joint soldier tracking system for recovering service members.

(b) MATTERS COVERED.—The study under subsection (a) shall include the following:

(1) Review of the feasibility of allowing each recovering service member, each family member of such a member, each commander of a military installation retaining medical holdover patients, each patient navigator, and ombudsman office personnel, at all times, to be able to locate and understand exactly where a recovering service member is in the medical holdover process.

(2) A determination of whether the tracking system can be designed to ensure that—

(A) the commander of each military medical facility where recovering service members are located is able to track appointments of such members to ensure they are meeting timeliness and other standards that serve the member; and

(B) each recovering service member is able to know when his appointments and other medical evaluation board or physical evaluation board deadlines will be and that they have been scheduled in a timely and accurate manner.

(3) Any other information needed to conduct oversight of care of the member through out the medical holdover process.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the study, with such findings and recommendations as the Secretary considers appropriate.

SEC. 1438. STUDY AND REPORT ON WAITING PERIODS FOR APPOINTMENTS AT DEPARTMENT OF VETERANS AFFAIRS MEDICAL FACILITIES.

(a) STUDY REQUIRED.—The Secretary of Veterans Affairs shall conduct a study on the average length of time between the desired date for which a veteran seeks to schedule an appointment for health care at a Department of Veterans Affairs medical facility and the date on which such appointment is completed.

(b) FOCUS OF STUDY.—In conducting the study under subsection (a), the Secretary shall focus on appointments scheduled and completed at Department medical facilities located in both rural and urban areas.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit a report to Congress containing the findings of the study under subsection (a) and recommendations for decreasing the waiting time between the desired date of an appoint-

ment and the completion of the appointment to a maximum of 15 days.

Subtitle C—General Provisions

SEC. 1451. MORATORIUM ON CONVERSION TO CONTRACTOR PERFORMANCE OF DEPARTMENT OF DEFENSE FUNCTIONS AT MILITARY MEDICAL FACILITIES.

(a) FINDINGS.—Congress finds the following:

(1) The conduct of public-private competitions for the performance of Department of Defense functions, based on Office of Management and Budget Circular A–76, can lead to dramatic reductions in the workforce, undermining an agency's ability to perform its mission.

(2) The Army Garrison commander at the Walter Reed Army Medical Center has stated that the extended A–76 competition process contributed to the departure of highly skilled administrative and maintenance personnel, which led to the problems at the Walter Reed Army Medical Center.

(b) MORATORIUM.—During the one-year period beginning on the date of the enactment of this Act, no study or competition may be begun or announced pursuant to section 2461 of title 10, United States Code, or otherwise pursuant to Office of Management and Budget Circular A–76

relating to the possible conversion to performance by a contractor of any Department of Defense function carried out at a military medical facility .

(c) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the public-private competitions being conducted for Department of Defense functions carried out at military medical facilities as of the date of the enactment of this Act by each military department and defense agency. Such report shall include—

(1) for each such competition—

(A) the cost of conducting the public-private competition;

(B) the number of military personnel and civilian employees of the Department of Defense affected;

(C) the estimated savings identified and the savings actually achieved;

(D) an evaluation whether the anticipated and budgeted savings can be achieved through a public-private competition; and

(E) the effect of converting the performance of the function to performance by a contractor on the quality of the performance of the function;

(2) a description of any public-private competition the Secretary would conduct if the moratorium under subsection (b) were not in effect; and

(3) an assessment of whether any method of business reform or reengineering other than a public-private competition could, if implemented in the future, achieve any anticipated or budgeted savings.

SEC. 1452. PROHIBITION ON TRANSFER OF RESOURCES FROM MEDICAL CARE.

Neither the Secretary of Defense nor the Secretaries of the military departments may transfer funds or personnel from medical care functions to administrative functions within the Department of Defense in order to comply with the new administrative requirements imposed by this title or the amendments made by this title.

SEC. 1453. INCREASE IN PHYSICIANS AT HOSPITALS OF THE DEPARTMENT OF VETERANS AFFAIRS.

The Secretary of Veterans Affairs shall increase the number of resident physicians at hospitals of the Department of Veterans Affairs.

TITLE XV—AUTHORIZATION OF ADDITIONAL APPROPRIATIONS FOR OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM

Sec. 1501. Purpose and statement of congressional policy.
Sec. 1502. Army procurement.
Sec. 1503. Navy and Marine Corps procurement.
Sec. 1504. Air Force procurement.
Sec. 1505. Joint Improvised Explosive Device Defeat Fund.
Sec. 1506. Defense-wide activities procurement.
Sec. 1507. Research, development, test, and evaluation.
Sec. 1508. Operation and maintenance.
Sec. 1509. Working capital funds.
Sec. 1510. Other Department of Defense programs.
Sec. 1511. Iraq Freedom Fund.
Sec. 1512. Iraq Security Forces Fund.
Sec. 1513. Afghanistan Security Forces Fund.
Sec. 1514. Military personnel.
Sec. 1515. Authorized Army construction and land acquisition projects.
Sec. 1516. Authorized Navy construction and land acquisition projects.
Sec. 1517. Treatment as additional authorizations.

SEC. 1501. PURPOSE AND STATEMENT OF CONGRESSIONAL POLICY.

(a) PURPOSE.—The purpose of this title is to authorize appropriations for the Department of Defense for fiscal year 2008 to provide additional funds for Operation Iraqi Freedom and Operation Enduring Freedom.

(b) POLICY.—Congress has provided members of the Armed Forces deployed outside of the United States, and the families of such members, with ongoing funds for their protection and operations and will continue to support their service and valor on behalf of the United States.

SEC. 1502. ARMY PROCUREMENT.

Funds are hereby authorized to be appropriated for fiscal year 2008 for procurement accounts of the Army in amounts as follows:

(1) For aircraft procurement, $1,677,706,000.

(2) For ammunition procurement, $313,000,000.

(3) For weapons and tracked combat vehicles procurement, $4,780,172,000.

(4) For missile procurement, $295,626,000.

(5) For other procurement, $11,123,699,000.

SEC. 1503. NAVY AND MARINE CORPS PROCUREMENT.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2008 for procurement accounts for the Navy in amounts as follows:

(1) For aircraft procurement, $2,917,958,000

(2) For weapons procurement, $251,281,000

(3) For other procurement, $727,580,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2008 for the procurement account for the Marine Corps in the amount of $3,863,267,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2008 for the procurement account for ammunition for the Navy and the Marine Corps in the amount of $590,090,000.

SEC. 1504. AIR FORCE PROCUREMENT.

Funds are hereby authorized to be appropriated for fiscal year 2008 for procurement accounts for the Air Force in amounts as follows:

(1) For aircraft procurement, $5,189,709,000.

(2) For ammunition procurement, $74,005,000.

(3) For missile procurement, $1,800,000.

(4) For other procurement, $3,926,810,000.

SEC. 1505. JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT FUND.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized for fiscal year 2008 for the Joint Improvised Explosive Device Defeat Fund in the amount of $4,000,000,000.

(b) USE AND TRANSFER OF FUNDS.—Subsections (b) and (c) of section 1514 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2439) shall apply to the funds appropriated pursuant to the authorization of appropriations in subsection (a).

(c) REVISION OF MANAGEMENT PLAN.—The Secretary of Defense shall revise the management plan required by section 1514(d) of the John Warner National Defense Authorization Act for Fiscal Year 2007 to identify projected transfers and obligations through September 30, 2008.

(d) DURATION OF AUTHORITY.—Section 1514(f) of the John Warner National Defense Authorization Act for Fiscal Year 2007 is amended by striking "September 30, 2009" and inserting "September 30, 2010".

SEC. 1506. DEFENSE-WIDE ACTIVITIES PROCUREMENT.

Funds are hereby authorized to be appropriated for fiscal year 2008 for the procurement account for Defense-wide in the amount of $594,768,000.

SEC. 1507. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.

Funds are hereby authorized to be appropriated for fiscal year 2008 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $91,278,000.

(2) For the Navy, $516,303,000.

(3) For the Air Force, $816,041,000.

(4) For Defense-wide activities, $727,498,000

SEC. 1508. OPERATION AND MAINTENANCE.

Funds are hereby authorized to be appropriated for fiscal year 2008 for the use of the Armed Forces for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $45,350,964,000

(2) For the Navy, $5,426,407,000.

(3) For the Marine Corps, $4,013,093,000.

(4) For the Air Force, $10,536,330,000.

(5) For Defense-wide activities, $6,098,990,000.

(6) For the Army Reserve , $158,410,000.

(7) For the Navy Reserve, $69,598,000.

(8) For the Marine Corps Reserve, $68,000,000.

(9) For the Army National Guard, $466,150,000.

(10) For the Air National Guard, $31,168,000.

SEC. 1509. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2008 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $1,676,275,000.

(2) For the National Defense Sealift Fund, $5,100,000.

SEC. 1510. OTHER DEPARTMENT OF DEFENSE PROGRAMS.

(a) DEFENSE HEALTH PROGRAM.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2008 for expenses, not otherwise provided for, for the Defense Health Program in the amount of $1,022,842,000 for operation and maintenance.

(b) DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE-WIDE.—Funds are hereby authorized to be

appropriated for the Department of Defense for fiscal year 2008 for expenses, not otherwise provided for, for Drug Interdiction and Counter-Drug Activities, Defense-wide in the amount of $257,618,000.

(c) DEFENSE INSPECTOR GENERAL.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2008 for expenses, not otherwise provided for, for the Office of the Inspector General of the Department of Defense in the amount of $4,394,000 for operation and maintenance.

SEC. 1511. IRAQ FREEDOM FUND.

Funds are hereby authorized to be appropriated for fiscal year 2008 for the Iraq Freedom Fund in the amount of $107,500,000.

SEC. 1512. IRAQ SECURITY FORCES FUND.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 2008 for the Iraq Security Forces Fund in the amount of $2,000,000,000.

(b) USE, TRANSFER, AND OTHER REQUIREMENTS REGARDING FUNDS.—Subsections (b), (c) and (d) of section 1516 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2441) shall apply to the funds appropriated pursuant to the authorization of appropriations in subsection (a).

(c) DURATION OF AUTHORITY.—Section 1516(g) of the John Warner National Defense Authorization Act for Fiscal Year 2007 is amended by striking "September 30, 2008" and inserting "September 30, 2009".

SEC. 1513. AFGHANISTAN SECURITY FORCES FUND.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 2008 for the Afghanistan Security Forces Fund in the amount of $2,700,000,000.

(b) USE, TRANSFER, AND OTHER REQUIREMENTS REGARDING FUNDS.—Subsections (b), (c) and (d) of section 1517 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat. 2442) shall apply to the funds appropriated pursuant to the authorization of appropriations in subsection (a).

(c) DURATION OF AUTHORITY.—Section 1517(g) of the John Warner National Defense Authorization Act for Fiscal Year 2007 is amended by striking "September 30, 2008" and inserting "September 30, 2009".

SEC. 1514. MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel accounts for fiscal year 2008 a total of $17,471,763,000.

1 ***SEC. 1515. AUTHORIZED ARMY CONSTRUCTION AND LAND***
2 ***ACQUISITION PROJECTS.***

3 *(a) AUTHORIZED PROJECTS.—Using amounts appro-*
4 *priated pursuant to the authorization of appropriations in*
5 *subsection (b) the Secretary of the Army may acquire real*
6 *property and carry out military construction projects for*
7 *the installations or locations outside the United States, and*
8 *in the amounts, set forth in the following table:*

Army: Outside the United States

Country	***Installation or Location***	***Amount***
Afghanistan	*Bagram Air Base*	*$103,000,000*
Iraq	*Camp Adder*	*$31,850,000*
	Al Asad	*$46,100,000*
	Camp Anaconda	*$49,200,000*
	Fallujah	*$880,000*
	Camp Marez	*$880,000*
	Mosul	*$43,000,000*
	Camp Ramadi	*$880,000*
	Scania	*$5,000,000*
	Camp Speicher	*$54,900,000*
	Camp Taqqadum	*$880,000*
	Tikrit	*$43,000,000*
	Camp Victory	*$24,600,000*
	Camp Warrior	*$880,000*
	Various Locations	*$102,000,000*

9 *(b) AUTHORIZATION OF APPROPRIATIONS.—Funds are*
10 *hereby authorized to be appropriated for fiscal years begin-*
11 *ning after September 30, 2007, for military construction,*
12 *land acquisition, and military family housing functions of*
13 *the Department of the Army in the total amount of*
14 *$526,450,000 as follows:*

15 *(1) For military construction projects outside the*
16 *United States authorized by subsection (a),*
17 *$507,050,000.*

(2) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $19,400,000.

SEC. 1516. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) AUTHORIZED PROJECTS.—Using amounts appropriated pursuant to the authorization of appropriations in subsection (b), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations or locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or Location	Amount
California	Camp Pendleton	$102,034,000
	Twenty-Nine Palms	$4,440,000
North Carolina	Camp Lejeune	$43,310,000

(b) AUTHORIZATION OF APPROPRIATIONS.—Subject to section 2825 of title 10, United States Code, funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2007, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $169,071,000, as follows:

(1) For military construction projects inside the United States authorized by subsection (a), $149,814,000.

(2) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $7,491,000.

(3) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $11,766,000.

SEC. 1517. TREATMENT AS ADDITIONAL AUTHORIZATIONS.

The amounts authorized to be appropriated by this title are in addition to amounts otherwise authorized to be appropriated by this Act.

TITLE XVI—NATIONAL GUARD ENHANCEMENT

Sec. 1601. Short title.

Subtitle A—National Guard Bureau

Sec. 1611. Enhancement of duties and position of Chief of the National Guard Bureau.
Sec. 1612. Establishment of National Guard Bureau as joint activity of Department of Defense.
Sec. 1613. Enhancement of functions of National Guard Bureau.
Sec. 1614. Requirement for Secretary of Defense to prepare annual plan for response to natural disasters and terrorist events.
Sec. 1615. Determination of Department of Defense civil support requirements.
Sec. 1616. Conforming and clerical amendments.

Subtitle B—Additional Reserve Component Enhancement

Sec. 1621. United States Northern Command.
Sec. 1622. Council of Governors.
Sec. 1623. Reserve Components Policy Board.
Sec. 1624. Requirements for certain high-level positions to be held by reserve component general or flag officers.
Sec. 1625. Retirement age and years of service limitations on certain reserve general and flag officers.
Sec. 1626. Additional reporting requirements relating to National Guard equipment.

SEC. 1601. SHORT TITLE.

This title may be cited as the "National Guard Empowerment Act".

Subtitle A—National Guard Bureau

SEC. 1611. ENHANCEMENT OF DUTIES AND POSITION OF CHIEF OF THE NATIONAL GUARD BUREAU.

(a) PRINCIPAL ADVISER TO SECRETARY OF DEFENSE THROUGH CHAIRMAN OF JOINT CHIEFS OF STAFF ON NATIONAL GUARD MATTERS.—Subsection (c) of section 10502 of title 10, United States Code, is amended by inserting after "principal adviser" the following: "to the Secretary of Defense (through the Chairman of the Joint Chiefs of Staff),".

(b) ADVISER TO COMMANDER OF THE UNITED STATES NORTHERN COMMAND AND SECRETARY OF HOMELAND SECURITY.—Subsection (c) of such section is further amended—

(1) by inserting "(1)" before "The Chief"; and

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

"(2) The Chief of the National Guard Bureau also is an adviser on such matters to the commander of the combatant command the geographic area of responsibility of which includes the United States and to the Secretary of Homeland Security.".

(c) APPOINTMENT TO OFFICE IN GRADE OF GENERAL.—Subsection (d) of such section is amended by striking "lieutenant general" and inserting "general".

(d) APPOINTMENT PROCESS.—Subsection (a) of such section is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) by inserting "(1)" before "There is"; and

(3) by adding at the end the following new paragraphs:

"(2) The Secretary of Defense shall establish a process to identify, from among the officers of the Army National Guard of the United States and Air National Guard of the United States recommended under paragraph (1)(A), the best qualified officer or officers whom the Secretary of Defense will recommend for consideration by the President for appointment as Chief of the National Guard Bureau.

"(3) In establishing the process under paragraph (2), the Secretary of Defense shall—

"(A) consider such procedural recommendations as the current Chief of the National Guard Bureau may provide;

"(B) employ a selection advisory board, which shall be appointed, charted, and instructed by agree-

ment between the Secretary of the Army and the Secretary of the Air Force; and

"(C) incorporate the requirements of section 601(d) of this title relating to a performance evaluation and necessary qualifications for the position.".

(e) REPEAL OF PROHIBITION ON CHIEF HOLDING OFFICE AFTER AGE 64.—Subsection (b) of such section is amended by striking "An officer may not hold that office after becoming 64 years of age.".

(f) APPOINTMENT OF NEXT CHIEF OF THE NATIONAL GUARD BUREAU.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the President recommendations regarding the best qualified officer or officers for consideration by the President for appointment as the next Chief of the National Guard Bureau under section 10502 of title 10, United States Code, as amended by this section. The amendments made by subsections (c), (d), and (e) shall apply with respect to such appointment. The officer serving in the office of Chief of the National Guard Bureau as of the date of the enactment of this Act may be recommended for appointment and appointed to that office to serve in the grade of general.

SEC. 1612. ESTABLISHMENT OF NATIONAL GUARD BUREAU AS JOINT ACTIVITY OF DEPARTMENT OF DEFENSE.

(a) JOINT ACTIVITY OF THE DEPARTMENT OF DEFENSE.—Subsection (a) of section 10501 of title 10, United States Code, is amended by striking "joint bureau of the Department of the Army and the Department of the Air Force" and inserting "joint activity of the Department of Defense".

(b) JOINT MANPOWER REQUIREMENTS.—

(1) IN GENERAL.—Chapter 1011 of such title is amended by adding at the end the following new section:

"§ 10508. National Guard Bureau: general provisions

"The manpower requirements of the National Guard Bureau as a joint activity of the Department of Defense shall be determined in accordance with regulations prescribed by the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff.".

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

"10508. National Guard Bureau: general provisions.".

SEC. 1613. ENHANCEMENT OF FUNCTIONS OF NATIONAL GUARD BUREAU.

(a) ADDITIONAL GENERAL FUNCTIONS.—Section 10503 of title 10, United States Code, is amended—

(1) by predesignating paragraph (12), as paragraph (13); and

(2) by inserting after paragraph (11) the following new paragraph (12):

"(12)(A) Facilitating and coordinating with the entities listed in subparagraph (B) the use of National Guard personnel and resources for operations conducted under title 32, or in support of State missions.

"(B) The entities listed in this subparagraph for purposes of subparagraph (A) are the following:

"(I) Other Federal agencies.

"(ii) The Adjutants General of the States.

"(iii) The United States Joint Forces Command.

"(iv) The combatant command the geographic area of responsibility of which includes the United States,".

(b) CHARTER DEVELOPED AND PRESCRIBED BY SECRETARY OF DEFENSE.—Section 10503 of such title is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking "The Secretary of the Army and the Secretary of the Air Force shall jointly develop" and inserting "The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, the Secretary of the Army, and the Secretary of the Air Force, shall develop"; and

(B) by striking "cover" in the second sentence and inserting "reflect the full scope of the duties and activities of the Bureau, including" ; and

(2) in paragraph (12), by striking "the Secretaries" and inserting "the Secretary of Defense".

SEC. 1614. REQUIREMENT FOR SECRETARY OF DEFENSE TO PREPARE ANNUAL PLAN FOR RESPONSE TO NATURAL DISASTERS AND TERRORIST EVENTS.

(a) REQUIREMENT FOR ANNUAL PLAN.—Not later than March 1, 2008, and each March 1 thereafter, the Secretary of Defense, in consultation with the commander of the United States Northern Command and the Chief of the National Guard Bureau, shall prepare and submit to Congress a plan for coordinating the use of the National Guard and members of the Armed Forces on active duty when responding to natural disasters, acts of terrorism, and other

man-made disasters as identified in the national planning scenarios described in subsection (e).

(b) INFORMATION TO BE PROVIDED TO SECRETARY.—To assist the Secretary of Defense in preparing the plan, the National Guard Bureau, pursuant to its purpose as channel of communications as set forth in section 10501(b) of title 10, United States Code, shall provide to the Secretary information gathered from Governors, adjutants general of States, and other State civil authorities responsible for homeland preparation and response to natural and man-made disasters.

(c) TWO VERSIONS.—The plan shall set forth two versions of response, one using only members of the National Guard, and one using both members of the National Guard and members of the regular components of the Armed Forces.

(d) MATTERS COVERED.—The plan shall cover, at a minimum, the following:

(1) Protocols for the Department of Defense, the National Guard Bureau, and the Governors of the several States to carry out operations in coordination with each other and to ensure that Governors and local communities are properly informed and remain in control in their respective States and communities.

(2) An identification of operational procedures, command structures, and lines of communication to ensure a coordinated, efficient response to contingencies.

(3) An identification of the training and equipment needed for both National Guard personnel and members of the Armed Forces on active duty to provide military assistance to civil authorities and for other domestic operations to respond to hazards identified in the national planning scenarios.

(e) NATIONAL PLANNING SCENARIOS.—The plan shall provide for response to the following hazards: Nuclear detonation, biological attack, biological disease outbreak/pandemic flu, the plague, chemical attack-blister agent, chemical attack-toxic industrial chemicals, chemical attack-nerve agent, chemical attack-chlorine tank explosion, major hurricane, major earthquake, radiological attack-radiological dispersal device, explosives attack-bombing using improvised explosive device, biological attack-food contamination, biological attack-foreign animal disease and cyber attack.

SEC. 1615. DETERMINATION OF DEPARTMENT OF DEFENSE CIVIL SUPPORT REQUIREMENTS.

(a) DETERMINATION OF REQUIREMENTS.—The Secretary of Defense shall determine the military-unique capabilities needed to be provided by the Department of Defense

to support civil authorities in an incident of national significance or a catastrophic incident.

(b) PLAN FOR FUNDING CAPABILITIES.—

(1) PLAN.—The Secretary of Defense shall develop and implement a plan, in coordination with the Secretaries of the military departments and the Chairman of the Joint Chiefs of Staff, for providing the funds and resources necessary to develop and maintain the following:

(A) The military-unique capabilities determined under subsection (a).

(B) Any additional capabilities determined by the Secretary to be necessary to support the use of the active components and the reserve components of the armed forces for homeland defense missions, domestic emergency responses, and providing military support to civil authorities.

(2) TERM OF PLAN.—The plan required under paragraph (1) shall cover at least five years.

(c) BUDGET.—The Secretary of Defense shall include in the materials accompanying the budget submitted for each fiscal year a request for funds necessary to carry out the plan required under subsection (b) during the fiscal year covered by the budget. The defense budget materials shall delineate and explain the budget treatment of the plan for

each component of each military department, each combatant command, and each affected Defense Agency.

(d) IMPLEMENTATION.—In carrying out this section, the Secretary of Defense, acting through the chairman of the Joint Chiefs of Staff, shall ensure the appropriate assignment of responsibilities, coordination of the efforts, and prioritization of renouncing by the appropriate combatant commands, the military departments, and the National Guard Bureau.

(e) DEFINITIONS.—In this section:

(1) The term "military-unique capabilities" means those capabilities that, in the view of the Secretary of Defense—

(A) cannot be provided by other Federal, State or local civilian agencies; and

(B) are essential to provide support to civil authorities in an incident of national significance or a catastrophic incident.

(2) The term "defense budget materials", with respect to a fiscal year, means the materials submitted to Congress by the Secretary of Defense in support of the budget for that fiscal year.

(f) STRATEGIC PLANNING GUIDANCE.—Section 113(g)(2) of title 10, United States Code, is amended by striking "contingency plans" at the end of the first sentence

and inserting the following: "contingency plans, including plans for providing support to civil authorities in an incident of national significance or a catastrophic incident, for homeland defense, and for military support to civil authorities".

SEC. 1616. CONFORMING AND CLERICAL AMENDMENTS.

(a) CONFORMING AMENDMENT.—The heading of section 10503 of such title is amended to read as follows:

"§ 10503. Functions of National Guard Bureau: charter".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1011 of such title is amended by striking the item relating to section 10503 and inserting the following new item:

"10503. Functions of National Guard Bureau: charter.".

Subtitle B—Additional Reserve Component Enhancement

SEC. 1621. UNITED STATES NORTHERN COMMAND.

(a) MANPOWER REVIEW.—

(1) REVIEW BY CHAIRMAN OF THE JOINT CHIEFS OF STAFF.—Not later than one year after the date of the enactment of this Act, the Chairman of the Joint Chiefs of Staff shall submit to the Secretary of Defense a review of the civilian and military positions, job descriptions, and assignments within the United States Northern Command with the goal of signifi-

cantly increasing the number of members of a reserve component assigned to, and civilians employed by, the United States Northern Command who have experience in the planning, training, and employment of forces for homeland defense missions, domestic emergency response, and providing military support to civil authorities.

(2) SUBMISSION OF RESULTS OF REVIEW.—Not later than 90 days after the date on which the Secretary of Defense receives the results of the review under paragraph (1), the Secretary shall submit to Congress a copy of the results of the review, together with such recommendations as the Secretary considers appropriate to achieve the objectives of the review.

(b) COMMAND AND CONTROL OF MIXED-STATUS FORCES IN CERTAIN MISSIONS.—

(1) PROCEDURES REQUIRED.—The Secretary of Defense shall establish procedures under which an officer who is on active duty or an officer who is on full-time National Guard duty may command mixed-status forces in connection with the training and use of mixed-status forces for homeland defense missions, domestic emergency responses, and providing military support to civil authorities.

(2) ELEMENTS OF PROCEDURES.—The procedures shall include measures to enable—

(A) the Commander of United States Northern Command and subordinate commanders within the United States Northern Command to exercise command of such mixed-status forces; and

(B) the Adjutant General or other officers of the National Guard of a State to exercise command of such mixed-status forces.

(3) COORDINATION.—The Secretary of Defense shall establish the procedures in coordination with the Chairman of the Joint Chiefs of Staff, the Chief of the National Guard Bureau, and the Governors of the States.

(c) DEFINITIONS.—In this section:

(1) The term "United States Northern Command" means the combatant command the geographic area of responsibility of which includes the United States.

(2) the term "mixed-status forces" means units and members of the National Guard that are on full-time National Guard duty participating in an encampment, maneuver, training exercise, or operation with members of the armed forces on active duty.

(3) The term "State" means the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, and the Virgin Islands.

(4) The term "Governor", with respect to the District of Columbia, means the commanding general of the District of Columbia National Guard.

(5) The terms "active duty" and "full-time National Guard duty" have the meanings provided those terms by section 101 of title 10, United States Code.

SEC. 1622. COUNCIL OF GOVERNORS.

The President shall establish a bipartisan Council of Governors to advise the Secretary of Defense, the Secretary of Homeland Security, and the White House Homeland Security Council on matters related to the National Guard and civil support missions.

SEC. 1623. RESERVE COMPONENTS POLICY BOARD.

(a) RESERVE COMPONENTS POLICY BOARD.—Section 10301 of title 10, United States Code, is amended to read as follows:

"§ 10301. Reserve Components Policy Board

"(a) There is in the Office of the Secretary of Defense a Reserve Components Policy Board. The Board shall provide the Secretary of Defense, through the Deputy Secretary of Defense, independent advice and recommendations on strategies, policies, and practices designed to improve and

enhance the capabilities, efficiency, and effectiveness of the reserve components of the United States.

"(b) The Board shall consist of 15 members appointed from civilian life by the Secretary of Defense. The Secretary shall designate the chairman and a vice chairman of the Board. Members of the Board shall be appointed without regard to political affiliation, shall be appointed for two-year, renewable terms, and shall have a proven record of high-level achievement in a national security–related field that includes matters pertaining to the reserve components of the United States.

"(c) Members of the Board shall be selected on the basis of knowledge, expertise, or achievement in the following areas:

"(1) The reserve components of the United States.

"(2) The national security and national military strategies of the United States.

"(3) The roles and missions of the active and reserve components of the United States Armed Forces.

"(4) The organization, force structure, and force mix of the United States Armed Forces.

"(5) Acquisition; research and development; military operations; or personnel and compensation

programs, policies, and activities of the Department of Defense.

"(6) Homeland defense and support to civil authorities.

"(d) The Chairman shall be selected on the basis of extensive knowledge, expertise, or achievement with respect to the reserve components of the United States, including the National Guard.

"(e) The Under Secretary of Defense for Personnel and Readiness shall provide an executive director and the necessary support staff to manage the activities of the Board in consultation with the Chairman.

"(f) The Board shall act on those matters referred to it by the Secretary of Defense or the Chairman and, in addition, on any matter raised by a member of the Board. As a part of its duties, the Board shall periodically meet with members of the reserve components of the United States.".

(b) CLERICAL AMENDMENT.—The item relating to section 10301 in the table of sections at the beginning of chapter 1009 of such title is amended to read as follows:

"10301. Reserve Components Policy Board.".

(c) CONFORMING AMENDMENTS.—

(1) Title 10, United States Code, is amended in the following provisions by striking "Reserve Forces

Policy Board" and inserting "Reserve Components Policy Board":

(A) Section 101(d)(6)(B)(i).

(B) Section 113(c)(2) (both places).

(C) Section 175.

(2) The heading of section 175 of such title is amended to read as follows:

"§ 175. Reserve Components Policy Board".

(3) The item relating to section 175 in the table of sections for chapter 7 of such title is amended to read as follows:

"175. Reserve Components Policy Board.".

SEC. 1624. REQUIREMENTS FOR CERTAIN HIGH-LEVEL POSITIONS TO BE HELD BY RESERVE COMPONENT GENERAL OR FLAG OFFICERS.

(a) UNIFIED AND SPECIFIED COMBATANT COMMAND POSITIONS.—Subparagraph (A) of section 526(b)(2) of title 10, United States Code, is amended by striking "10 general and flag officer positions on the staffs of the commanders of" and inserting "15 general and flag officer positions in".

(b) DESIGNATION OF LIEUTENANT GENERAL OR VICE ADMIRAL POSITIONS TO BE HELD ONLY BY RESERVE COMPONENT OFFICERS.—Such subparagraph is further amended—

(1) by inserting "(i)" after "(A)";

(2) by striking the last sentence; and

(3) by adding at the end the following new clauses:

"(ii) The Chairman of the Joint Chiefs of Staff shall designate up to three general and flag officer positions in the grade of lieutenant general or vice admiral to be held only by reserve component officers. One of the positions designated under this clause shall be the deputy commander of the combatant command the geographic area of responsibility of which includes the United States, unless a reserve component officer is serving as commander of that combatant command. Each position designated under this clause shall be in addition to those positions that are required by law to be filled by an officer serving in the grade of lieutenant general or vice admiral.

"(iii) The positions designated under clauses (i) and (ii) shall be considered a joint duty assignment position for the purposes of chapter 38 of this title.".

SEC. 1625. RETIREMENT AGE AND YEARS OF SERVICE LIMITATIONS ON CERTAIN RESERVE GENERAL AND FLAG OFFICERS.

(a) RETIREMENT FOR AGE.—

(1) INCLUSION OF RESERVE GENERALS AND ADMIRALS.—Section 14511 of title 10, United States Code, is amended to read as follows:

"§ 14511. Separation at age 64: major generals and generals and rear admirals and admirals

"(a) MAJOR GENERALS AND REAR ADMIRALS.—Unless retired, transferred to the Retired Reserve, or discharged at an earlier date, each reserve officer of the Army, Air Force, or Marine Corps in the grade of major general and each reserve officer of the Navy in the grade of rear admiral, except an officer covered by section 14512 of this title, shall be separated in accordance with section 14515 of this title on the last day of the month in which the officer becomes 64 years of age.

"(b) GENERALS AND ADMIRALS.—(1) Unless retired, transferred to the Retired Reserve, or discharged at an earlier date, each reserve officer of the Army, Air Force, or Marine Corps in the grade of general and each reserve officer of the Navy in the grade of admiral shall be separated in accordance with section 14515 of this title on the last day of the month in which the officer becomes 64 years of age.

"(2) The retirement of an officer under paragraph (1) may be deferred—

"(A) by the President, but such a deferment may not extend beyond the first day of the month following the month in which the officer becomes 68 years of age; or

"(B) by the Secretary of Defense, but such a deferment may not extend beyond the first day of the month following the month in which the officer becomes 66 years of age.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1407 of such title is amended by striking the item relating to section 14511 and inserting the following new item:

"14511. Separation at age 64: major generals and generals and rear admirals and admirals.".

(b) CONFORMING AMENDMENTS AND RESERVE OFFICERS HOLDING CERTAIN OTHER OFFICES.—Section 14512 of such title is amended—

(1) in subsection (a)(2)—

(A) by striking subparagraph (A); and

(B) by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively;

(2) in subsection (b)—

(A) by inserting "(1)" before "The Secretary"; and

(B) by adding at the end the following new paragraph:

"(2) The President may defer the retirement of a reserve officer serving in the position of Chief of the Navy Reserve or Commander of the Marine Forces Reserve, but

such deferment may not extend beyond the first day of the month following the month in which the officer becomes 66 years of age. A deferment under this paragraph shall not count toward the limitation on the total number of officers whose retirement may be deferred at any one time under paragraph (1).”; and

(3) by adding at the end the following new subsection:

“(c) DESIGNATED LIEUTENANT GENERAL OR VICE ADMIRAL POSITIONS HELD BY RESERVE COMPONENT OFFICERS.—Unless retired, transferred to the Retired Reserve, or discharged at an earlier date, a reserve officer serving in one of the general and flag officer positions designated under section 526(b)(2)(A)(ii) of this title to be held by a reserve officer in the grade of lieutenant general or vice admiral shall, on the last day of the month in which the officer becomes 66 years of age, be separated in accordance with section 14515 of this title.”.

(c) IMPOSITION OF YEARS OF SERVICE LIMITATION.—

(1) IMPOSITION OF LIMITATION.—Section 14508 of such title is amended by inserting after subsection (c), as added by section 511, the following new subsection:

“(d) FORTY YEARS OF SERVICE FOR GENERALS AND ADMIRALS.—Unless retired, transferred to the Retired Re-

serve, or discharged at an earlier date, each reserve officer of the Army, Air Force, or Marine Corps in the grade of general and each reserve officer of the Navy in the grade of admiral shall, 30 days after completion of 40 years of commissioned service, be separated in accordance with section 14514 of this title.".

(2) CONFORMING AMENDMENTS.—Subsection (b) of section 10502 of such title, as amended by section 1611(e), is further amended—

(A) by inserting "(1)" before the first sentence; and

(B) by striking "While holding that office" and inserting the following:

"(2) Except as provided in section 14508(d) of this title, while holding the office of Chief of the National Guard Bureau".

(d) TREATMENT OF CURRENT CHIEF OF THE NATIONAL GUARD BUREAU.—Section 14512(a) of title 10, United States Code, as in effect on the day before the date of the enactment of this Act, shall continue to apply with respect to the officer serving in the office of Chief of the National Guard Bureau as of that date. However, if the officer serving in the office of Chief of the National Guard Bureau as of that date is subsequently appointed to that office to serve in the grade of general, subsection (b) of sec-

tion 14511 of such title, as added by this section, shall apply.

SEC. 1626. ADDITIONAL REPORTING REQUIREMENTS RELATING TO NATIONAL GUARD EQUIPMENT.

Section 10541 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) Each report under this section concerning equipment of the National Guard shall also include the following:

"(1) A statement of the accuracy of the projections required by subsection (b)(5)(D) contained in earlier reports under this section, and an explanation, if the projection was not met, of why the projection was not met.

"(2) A certification from the Chief of the National Guard Bureau setting forth an inventory for the preceding fiscal year of each item of equipment—

"(A) for which funds were appropriated;

"(B) which was due to be procured for the National Guard during that fiscal year; and

"(C) which has not been received by a National Guard unit as of the close of that fiscal year.".

TITLE XVII—DEFENSE READINESS PRODUCTION BOARD

Sec. 1701. Purpose.
Sec. 1702. Establishment of Defense Readiness Production Board.
Sec. 1703. Defense Production Industry Advisory Council.

Sec. 1704. Role of Chairman of Board in certain reporting processes.
Sec. 1705. Authority to use multiyear contracts.
Sec. 1706. Transfer authority.
Sec. 1707. Special authority for use of working capital funds for critical readiness requirements.
Sec. 1708. Strategic Readiness Fund.

1 ***SEC. 1701. PURPOSE.***

2 *The purpose of this title is to establish a Defense Read-*
3 *iness Production Board to identify and designate critical*
4 *readiness requirements, to improve the utilization of the de-*
5 *fense industrial base, and to provide authorities to the Sec-*
6 *retary of Defense and the Secretaries of the military depart-*
7 *ments to address critical readiness requirements.*

8 ***SEC. 1702. ESTABLISHMENT OF DEFENSE READINESS PRO-***
9 ***DUCTION BOARD.***

10 *(a) ESTABLISHMENT.—The Secretary of Defense shall*
11 *establish a Defense Readiness Production Board (in this*
12 *subtitle referred to as the "Board") within the Office of the*
13 *Secretary of Defense.*

14 *(b) MEMBERSHIP.—*

15 *(1) IN GENERAL.—The Board shall be composed*
16 *of 16 members appointed by the Secretary of Defense*
17 *in accordance with this subsection.*

18 *(2) CHAIRMAN.—The Secretary shall appoint a*
19 *Chairman from within the Office of the Secretary of*
20 *Defense.*

21 *(3) MILITARY PERSONNEL.—The Secretary shall*
22 *appoint members from among officers of the Armed*

Forces serving on the joint staff and each of the Armed Forces. In making appointments under this paragraph, the Secretary shall ensure that there is full representation of the reserve components of each of the Armed Forces, including at least two representatives of the National Guard and two individuals with responsibilities relating to a depot activity.

(4) CIVILIAN PERSONNEL.—The Secretary shall appoint members from among civilian employees of the Department of Defense serving in each of the military departments and in such other entities within the Department as the Secretary determines appropriate.

(5) OTHER AGENCIES.—The Secretary may request such representatives from other Federal agencies to serve as members as the Secretary of Defense considers necessary, appropriate, and relevant to the work of the Board.

(6) TERMS; VACANCIES.—The Secretary shall determine the term of office of members of the Board and the manner of filling vacancies on the Board.

(c) FUNCTIONS.—

(1) DESIGNATION OF CRITICAL READINESS REQUIREMENTS.—

(A) The Board shall—

(i) monitor and assess the readiness of the Armed Forces;

(ii) assist the Secretary of Defense and Congress in the identification of deficiencies in the readiness of the Armed Forces caused by shortfalls in weapons systems, equipment, and supplies; and

(iii) identify and formally designate critical readiness requirements.

(B) In this title, the term "critical readiness requirements" means shortfalls in equipment or supplies that materially reduce readiness of the Armed Forces and that—

(i) cannot be adequately addressed by identifying acceptable substitute capabilities or cross leveling of equipment that does not unacceptably reduce the readiness of other Armed Forces; and

(ii) that are likely to persist for more than two years based on currently projected budgets and schedules for deliveries of equipment and supplies.

(C) During the period beginning on the date of the enactment of this Act and ending on the date of the first meeting of the Board, the Sec-

retary of Defense may identify and formally designate critical readiness requirements under subparagraph (A)(iii) in lieu of the Board.

(2) MONITORING AND ASSESSMENT OF INDUSTRIAL CAPACITY.—The Board shall also monitor and assess the industrial capacity of all elements of the Department of Defense, the defense industrial base, and non-traditional suppliers to the Department of Defense—

(A) to determine where industrial capacity is being insufficiently used to meet the needs of the Department of Defense, particularly in addressing critical readiness requirements; and

(B) to recommend ways to increase the use of the industrial base, including through encouraging the use of public-private partnerships for existing systems currently maintained outside the depot system as a means of promoting competition, attracting non-traditional suppliers, and expanding the business base of traditional suppliers.

(3) REPORTS AND NOTIFICATIONS.—

(A) The Board shall submit to the Secretary of Defense and to the congressional defense committees reports to communicate its findings and

the progress made by the Department of Defense in addressing critical readiness requirements, at such times as it considers necessary, but not less often than every six months.

(B) The Board shall notify the Secretary of Defense and the congressional defense committees within 10 days after it designates a critical readiness requirement under paragraph (1). If the Secretary of Defense designates a critical readiness requirement under paragraph (1)(C) in lieu of the Board, the Secretary shall notify the congressional defense committees within 10 days after such designation.

(d) STAFF.—The Secretary of Defense shall assign staff, and request the Secretaries of the military departments to assign staff, as necessary to assist the Board in carrying out its duties.

(e) TERMINATION.—The Board shall terminate 5 years after the date of its establishment under subsection (a).

SEC. 1703. DEFENSE PRODUCTION INDUSTRY ADVISORY COUNCIL.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a Defense Production Industry Advisory Council (in this section referred to as the "Council") to advise and

assist the Defense Readiness Production Board in fulfilling its duties and functions with respect to the industrial base.

(b) MEMBERSHIP.—The Council shall be composed of 12 members, appointed by the Secretary of Defense in consultation with the Armed Services Committees of the Senate and the House of Representatives from among individuals with knowledge of the defense industrial base, including individuals who—

(1) represent major sectors of defense industry most relevant to the work of the Council;

(2) represent non-traditional suppliers to the Department of Defense from industries most relevant to the work of the Council;

(3) represent suppliers of essential materials most relevant to the work of the Council; and

(4) represent the workforce in the defense industrial base most relevant to the work of the Council.

(c) FUNCTIONS.—The Council shall advise and assist the Defense Readiness Production Board in fulfilling its duties and functions with regard to the industrial base and on such other matters as the Secretary may direct.

(d) REIMBURSEMENT.—The Secretary may provide reimbursement to members of the Council for purposes of attending meetings of the Council, in accordance with Federal guidelines.

(e) TERMINATION.—The Council shall terminate 5 years after the date of its establishment under subsection (a).

SEC. 1704. ROLE OF CHAIRMAN OF BOARD IN CERTAIN REPORTING PROCESSES.

(a) READINESS REPORTING SYSTEM.—

(1) INCLUSION IN JOINT READINESS REVIEWS.—The Chairman of the Board, or a representative of the Chairman, shall be included in the quarterly joint readiness reviews and monthly updates required under section 117(d) of title 10, United States Code.

(2) INCLUSION IN REPORTS.—The Chairman of the Board may submit views to the Secretary of Defense for inclusion in the report submitted to Congress by the Secretary under section 117(e) of such title.

(b) QUARTERLY REPORTS ON MILITARY READINESS.—The Chairman of the Board shall be included in the process for preparing quarterly reports required under section 482 of title 10, United States Code. The Chairman may submit views to the Secretary of Defense for inclusion in such reports.

(c) REPORTS ON FUND TRANSFERS.—The Chairman of the Board shall be included in the process of transferring any funds described in reports submitted under section 483 of title 10, United States Code. The Chairman may submit

views to the Secretary of Defense for inclusion in such reports, and if the Chairman determines that any transfer described in a report would negatively affect a critical readiness requirement, shall submit views on such transfer.

SEC. 1705. AUTHORITY TO USE MULTIYEAR CONTRACTS.

(a) IN GENERAL.—Notwithstanding section 2306b of title 10, United States Code, the Secretary of a military department may enter into a multiyear contract to procure an item if such item will fill, or substantially fill, a critical readiness requirement designated by the Board.

(b) LIMITATION ON ITEMS.—The authority under subsection (a) may not be used unless the item to be procured—

(1) is the same or substantially the same as an item procured previously using a multiyear contract;

(2) has been in full-rate production for at least 3 years; or

(3) is a non-developmental commercial item with modifications that are de minimis in nature.

(c) ADDITIONAL LIMITATION.—The authority under subsection (a) may not be used unless the Secretary of the military department concerned—

(1) certifies that the pricing under the contract is fair and reasonable and that the Secretary has all the information necessary to make such certification; and

(2) the congressional defense committees have been notified at least 30 days in advance of the award of the proposed contract, and the notification includes a statement of the cancellation ceiling for the contract.

(d) ACCOUNTING FOR COSTS.—For the purpose of accounting for the costs of contracts entered into under this section, the Department of Defense shall either—

(1) record obligations for the full cost of the contract at the time of contract award; or

(2) record obligations for each fiscal year of the contract equal to the Government's total annual liability, which includes, for a fiscal year, the performance cost of the contract for the fiscal year plus any costs that would be incurred if the contract were cancelled at the end of the fiscal year.

(e) MULTIYEAR CONTRACT DEFINED.—In this section, the term "multiyear contract" has the meaning provided in section 2306b(k) of this title.

(f) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section. The regulations shall include provisions similar to the provisions required under section 2306b(e) of this title (relating to protection of existing authority).

SEC. 1706. TRANSFER AUTHORITY.

(a) IN GENERAL.—The Secretary of Defense may transfer from amounts described in subsection (b) to other appropriations of the Department of Defense for fiscal year 2008 or any subsequent fiscal year such amounts as the Secretary determines necessary to address critical readiness requirements designated by the Board. Amounts so transferred shall be merged with and be available for the same purposes as the accounts to which transferred. The total amount that the Secretary may transfer under the authority of this section in any fiscal year is $1,000,000,000.

(b) AMOUNTS SUBJECT TO TRANSFER.—Transfers under this section may be made only from amounts appropriated to the Department of Defense for fiscal year 2008 or any subsequent fiscal year that remain available for obligation.

(c) ADDITIONAL AUTHORITY.—The authority provided by this section is in addition to any other authority provided by law authorizing the transfer of amounts available to the Department of Defense.

SEC. 1707. SPECIAL AUTHORITY FOR USE OF WORKING CAPITAL FUNDS FOR CRITICAL READINESS REQUIREMENTS.

(a) NOTIFICATION TO SECRETARY OF CERTAIN EXPENSES.—The Secretary of a military department shall notify the Secretary of Defense if the Secretary of the military

department determines that costs will be incurred for work on a critical readiness program in excess of amounts available in the working capital fund of the military department.

(b) TRANSFER OF FUNDS.—The Secretary of Defense, after receiving a notification under subsection (a), may transfer funds from another working capital fund or other funds available to the Department of Defense for fiscal year 2008 or any subsequent fiscal year sufficient to cover the costs of the critical readiness program. The Secretary of the military department to which the funds are transferred shall notify the congressional defense committees of the transfer within 30 days after the transfer is made.

(c) REQUIREMENT TO REIMBURSE WORKING CAPITAL FUNDS.—In the case of any working capital fund from which a transfer is made under subsection (b), the Secretary of Defense shall, within 12 months after the transfer, reimburse the fund from any of the following:

(1) An appropriation of funds.

(2) Other funds available to the Department of Defense.

(3) If the Secretary is unable to provide reimbursement pursuant to paragraph (1) or (2) within nine months after the transfer, advance billing (under section 2208(i) of title 10, United States Code) from

the military department carrying out the critical readiness program.

(d) ADDITIONAL TRANSFER AUTHORITY.—The transfer authority under this section is in addition to any other transfer authority.

(e) CRITICAL READINESS PROGRAM.—In this section, the term "critical readiness program" means a program to address a critical readiness requirement designated by the Board.

SEC. 1708. STRATEGIC READINESS FUND.

(a) ESTABLISHMENT.—There is established on the books of the Treasury a fund to be known as the Department of Defense Strategic Readiness Fund (in this subsection referred to as the "Fund"), which shall be administered by the Secretary of the Treasury.

(b) PURPOSES.—The Fund shall be used to address critical readiness requirements designated under section 1701(c).

(c) ASSETS OF FUND.—There shall be deposited into the Fund any amount appropriated to the Fund, which shall constitute the assets of the Fund.

(d) TRANSFER OF FUNDS.—

(1) The Secretary of Defense may transfer amounts in the Fund to such appropriations accounts as the Secretary determines appropriate for address-

ing critical readiness requirements designated under section 1701(c). Amounts so transferred shall be merged with and available for the same purposes and for the same time period as the appropriation account to which transferred.

(2) The transfer authority provided in paragraph (1) is in addition to any other transfer authority available to the Department of Defense. Upon a determination that all or part of the amounts transferred from the Fund are not necessary for the purposes for which transferred, such amounts may be transferred back to the Fund.

(3) The Secretary of Defense shall notify the congressional defense committees within 30 days after the Secretary makes a transfer under this subsection.

(e) AUTHORIZATION.—There is hereby authorized to be appropriated to the Strategic Readiness Fund $1,000,000,000, to be derived from amounts for Operations and Maintenance under section 1508.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 2008".

TITLE XXI—ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.
Sec. 2102. Family housing.
Sec. 2103. Improvements to military family housing units.
Sec. 2104. Authorization of appropriations, Army.
Sec. 2105. Modification of authority to carry out certain fiscal year 2006 project.

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations or locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or Location	Amount
Alabama	Anniston Army Depot	$26,000,000
Alaska	Fort Richardson	$92,800,000
	Fort Wainwright	$105,600,000
Arizona	Fort Huachuca	$129,600,000
California	Fort Irwin	$24,000,000
	Presidio, Monterey	$28,000,000
Colorado	Fort Carson	$157,200,000
Delaware	Dover Air Force Base	$17,500,000
Florida	Eglin Air Force Base	$66,000,000
	Southern Command Headquarters, Miami	$237,000,000
Georgia	Fort Benning	$185,800,000
	Fort Stewart/Hunter Army Air Field	$123,500,000
Hawaii	Fort Shafter	$31,000,000
	Kahuku Training Area	$9,200,000
	Schofield Barracks	$88,000,000
	Wheeler Army Air Field	$51,000,000
Kansas	Fort Leavenworth	$90,800,000
	Fort Riley	$140,200,000
Kentucky	Fort Campbell	$105,000,000
	Fort Knox	$6,700,000
Missouri	Fort Leonard Wood	$129,050,000
Nevada	Hawthorne Army Ammunition Plant	$11,800,000
New Mexico	White Sands Missile Range	$71,000,000
New York	Fort Drum	$300,600,000
North Carolina	Fort Bragg	$270,800,000
Oklahoma	Fort Sill	$2,900,000
South Carolina	Fort Jackson	$85,000,000
Texas	Camp Bullis	$1,600,000
	Corpus Christi	$11,200,000
	Fort Bliss	$111,900,000
	Fort Hood	$138,000,000

***Army: Inside the United States**—Continued*

State	Installation or Location	Amount
	Fort Sam Houston	*$19,150,000*
	Red River Army Depot	*$9,200,000*
Virginia	*Fort Belvoir*	*$13,000,000*
	Fort Eustis	*$75,000,000*
	Fort Lee	*$22,600,000*
	Fort Myer	*$20,800,000*
Washington	*Fort Lewis*	*$167,900,000*
	Yakima Training Center	*$29,000,000*

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the installations or locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or Location	Amount
Afghanistan	*Afghanistan*	*$13,800,000*
Bulgaria	*Nevo Selo FOS*	*$61,000,000*
Germany	*Grafenwoehr*	*$62,000,000*
Hondurus	*Various locations*	*$2,550,000*
Italy	*Vicenza*	*$173,000,000*
Korea	*Camp Humphreys*	*$57,000,000*
Romania	*Various locations*	*$12,600,000*

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations or locations, in the number of units, and in the amounts set forth in the following table:

Army: Family Housing

State or Country	*Installation or Location*	*Units*	*Amount*
Utah	*Dugway Proving Grounds*	*28*	*$5,000,000*
Germany	*Ansbach*	*138*	*$52,000,000*

1 *(b) PLANNING AND DESIGN.—Using amounts appro-*
2 *priated pursuant to the authorization of appropriations in*
3 *section 2104(a)(5)(A), the Secretary of the Army may carry*
4 *out architectural and engineering services and construction*
5 *design activities with respect to the construction or im-*
6 *provement of family housing units in an amount not to*
7 *exceed $2,000,000.*

8 ***SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING***
9 ***UNITS.***

10 *Subject to section 2825 of title 10, United States Code,*
11 *and using amounts appropriated pursuant to the author-*
12 *ization of appropriations in section 2104(a)(5)(A), the Sec-*
13 *retary of the Army may improve existing military family*
14 *housing units in an amount not to exceed $365,400,000.*

15 ***SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.***

16 *(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are*
17 *hereby authorized to be appropriated for fiscal years begin-*
18 *ning after September 30, 2007, for military construction,*
19 *land acquisition, and military family housing functions of*
20 *the Department of the Army in the total amount of*
21 *$5,382,917,000 as follows:*

(1) For military construction projects inside the United States authorized by section 2101(a), $3,222,500,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $381,950,000.

(3) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $27,200,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $329,547,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $424,400,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $731,920,000.

(6) For the construction of increment 2 of a barracks complex at Fort Lewis, Washington, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2007 (division B of Public Law 109–364; 120 Stat. 2445), as amended by

section 20814 of the Continuing Appropriations Resolution, 2007 (division B of Public Law 109–289), as added by section 2 of the Revised Continuing Appropriations Resolution, 2007 (Public Law 110–5; 121 Stat. 41), $102,000,000.

(7) For the construction of increment 3 of a barracks complex at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3485), $47,400,000

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed the sum of the following:

(1) The total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(2) $46,000,000 (the balance of the amount authorized under section 2201(a) for construction of an operations complex at Eglin Air Force Base, Florida).

(3) $70,000,000 (the balance of the amount authorized under section 2201(a) for construction of the

United States Southern Command Headquarters, Miami, Florida).

SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2006 PROJECT.

(a) MODIFICATION.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3485) is amended in the item relating to Fort Bragg, North Carolina, by striking "$301,250,000" in the amount column and inserting "$308,250,000".

(b) CONFORMING AMENDMENTS.—Section 2104(b)(5) of that Act (119 Stat. 3488) is amended by striking "$77,400,000" and inserting "$84,400,000".

TITLE XXII—NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.
Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
Sec. 2204. Authorization of appropriations, Navy.
Sec. 2205. Repeal of authorization for construction of Navy Outlying Landing Field, Washington County, North Carolina.

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations or locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	*Installation or Location*	*Amount*
Alaska	*Outlying Field Evergreen*	*$9,560,000*
Arizona	*Marine Corps Air Station, Yuma*	*$33,720,000*
California	*Marine Corps Air Station, Miramar*	*$26,760,000*
	Marine Corps Base, Camp Pendleton	*$282,450,000*
	Marine Corps Base, Twentynine Palms	*$142,619,000*
	Naval Station, San Diego	*$23,630,000*
Florida	*Marine Corps Logistics Base, Blount Island*	*$7,570,000*
	Naval Surface Warfare Center, Panama City	*$13,870,000*
	Naval Training Center, Corry Field	*$1,600,000*
Hawaii	*Marine Corps Air Station, Kaneohe*	*$37,961,000*
	Naval Base, Pearl Harbor	*$99,860,000*
	Naval Station Pearl Harbor, Wahiawa	*$65,410,000*
Illinois	*Naval Training Center, Great Lakes*	*$10,221,000*
Maryland	*Naval Air Warfare Center, Patuxent River*	*$38,360,000*
	Naval Surface Warfare Center, Indian Head	*$9,500,000*
North Carolina	*Marine Corps Air Station, Cherry Point*	*$28,610,000*
	Marine Corps Air Station, New River	*$58,630,000*
	Marine Corps Base, Camp Lejeune	*$234,730,000*
South Carolina	*Marine Corps Air Station, Beaufort*	*$10,300,000*
	Marine Corps Recruit Depot, Parris Island	*$55,282,000*
Texas	*Naval Air Station, Corpus Christi*	*$14,290,000*
Virginia	*Marine Corps Base, Quantico*	*$50,519,000*
	Naval Station, Norfolk	*$65,360,000*
	Naval Support Activity, Chesapeake	*$8,450,000*
	Naval Surface Warfare Center, Dahlgren	*$10,000,000*
Washington	*Naval Air Station, Whidbey Island*	*$34,510,000*
	Naval Station, Bremerton	*$119,760,000*

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations or locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

Country	*Installation or Location*	*Amount*
Bahrain	*Southwest Asia*	*$35,500,000*
Diego Garcia	*Naval Support Facility, Diego Garcia*	*$7,150,000*
Djibouti	*Camp Lemonier*	*$22,390,000*
Guam	*Naval Activities, Guam*	*$278,818,000*

(c) UNSPECIFIED WORLDWIDE.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(3), the Secretary of the Navy may ac-

quire real property and carry out military construction projects for unspecified installations or locations in the amount set forth in the following table:

Navy: Unspecified Worldwide

Location	***Installation or Location***	***Amount***
Worldwide Unspecified	*Wharf Utilities Upgrade*	*$8,900,000*
	Host Nation Infrastructure	*$2,700,000*

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(6)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations, in the number of units, and in the amounts set forth in the following table:

Navy: Family Housing

Location	***Installation***	***Units***	***Amount***
Mariana Islands	*Naval Activities, Guam*	*73*	*$57,167,000*

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(6)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $3,172,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(6)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $237,990,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2007, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,804,429,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $1,493,532,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $343,858,000.

(3) For military construction projects at unspecified worldwide locations authorized by section 2201(c), $11,600,000.

(4) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $10,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $111,067,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $298,329,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $371,404,000.

(7) For the construction of increment 2 of the construction of an addition to the National Maritime Intelligence Center, Suitland, Maryland, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2007 (division B of Public Law 109–364; 120 Stat. 2448), $52,069,000.

(8) For the construction of increment 3 of recruit training barracks infrastructure upgrade at Recruit Training Command, Great Lakes, Illinois, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3490), $16,650,000.

(9) For the construction of increment 3 of wharf upgrades at Yokosuka, Japan, authorized by section 2201(b) of the Military Construction Authorization

Act of Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3490), $8,750,000.

(10) For the construction of increment 2 of the Bachelor Enlisted Quarters Homeport Ashore Program at Bremerton, Washington (formerly referred to as a project at Naval Station, Everett), authorized by section 2201(a) of the Military Construction Authorization Act of Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat.3490), $47,240,000.

(11) For the construction of increment 4 of the limited area production and storage complex at Naval Submarine Base, Kitsap, Bangor, Washington (formerly referred to as a project at the Strategic Weapons Facility Pacific, Bangor), authorized by section 2201(a) of the Military Construction Authorization Act of Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2105), as amended by section 2206 of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3493), $39,750,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost

of all projects carried out under section 2201 of this Act may not exceed the sum of the following:

(1) The total amount authorized to be appropriated under paragraphs (1), (2), and (3) of subsection (a).

(2) $50,000,000 (the balance of the amount authorized under section 2201(b) for construction of a wharf extension in Apra Harbor, Guam.

SEC. 2205. REPEAL OF AUTHORIZATION FOR CONSTRUCTION OF NAVY OUTLYING LANDING FIELD, WASHINGTON COUNTY, NORTH CAROLINA.

(a) REPEAL OF AUTHORIZATION.—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108–136; 117 Stat. 1704) is amended by striking the item relating to Navy Outlying Landing Field, Washington County, North Carolina, as added by section 2205(a) of the Military Construction Authorization Act for Fiscal Year 2007 (division B of Public Law 109–364; 120 Stat. 2452).

(b) REPEAL OF INCREMENTAL FUNDING AUTHORITY.—Section 2204(b) of that Act (117 Stat. 1706) is amended by striking paragraph (6).

(c) EFFECT OF REPEAL.—The amendments made by this section do not affect the expenditure of funds obligated, before the effective date of this title, for the construction of

the Navy Outlying Landing Field, Washington County, North Carolina, or the acquisition of real property to facilitate such construction.

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.
Sec. 2302. Family housing.
Sec. 2303. Improvements to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.
Sec. 2305. Modification of authority to carry out certain fiscal year 2006 project.

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations or locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	*Installation or Location*	*Amount*
Alaska	*Elmendorf Air Force Base*	*$70,180,000*
Arizona	*Davis-Monthan Air Force Base*	*$11,200,000*
	Kirtland Air Force Base	*$3,700,000*
	Luke Air Force Base	*$5,500,000*
Arkansas	*Little Rock Air Force Base*	*$9,800,000*
California	*Edwards Air Force Base*	*$8,500,000*
	Travis Air Force Base	*$37,400,000*
Colorado	*Fort Carson*	*$13,500,000*
	Schriever Air Force Base	*$24,500,000*
	United States Air Force Academy	*$15,000,000*
District of Columbia	*Bolling Air Force Base*	*$2,500,000*
Florida	*Eglin Air Force Base*	*$158,300,000*
	MacDill Air Force Base	*$60,500,000*
	Patrick Air Force Base	*$11,854,000*
	Tyndall Air Force Base	*$44,114,000*
Georgia	*Robins Air Force Base*	*$19,700,000*
Hawaii	*Hickam Air Force Base*	*$31,971,000*
Illinois	*Scott Air Force Base*	*$16,700,000*
Kansas	*Fort Riley*	*$12,515,000*
Missouri	*Whiteman Air Force Base*	*$11,400,000*
Nebraska	*Offutt Air Force Base*	*$16,952,000*
New Mexico	*Cannon Air Force Base*	*$1,688,000*
North Dakota	*Minot Air Force Base*	*$18,200,000*
Oklahoma	*Altus Air Force Base*	*$2,000,000*

***Air Force: Inside the United States**—Continued*

State	Installation or Location	Amount
	Tinker Air Force Base	*$34,600,000*
South Carolina	*Shaw Air Force Base*	*$9,300,000*
Texas	*Lackland Air Force Base*	*$14,000,000*
	Shepard Air Force Base	*$7,000,000*
Utah	*Hill Air Force Base*	*$16,799,000*
Washington	*Fairchild Air Force Base*	*$6,200,000*
Wyoming	*Francis E. Warren Air Force Base*	*$14,600,000*

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 or locations outside the*
6 *United States, and in the amounts, set forth in the following*
7 *table:*

Air Force: Outside the United States

Country	Installation or Location	Amount
Germany	*Ramstein Air Base*	*$48,209,000*
Guam	*Andersen Air Force Base*	*$15,800,000*
Qatar	*Al Udeid Air Base*	*$22,300,000*
Spain	*Moron Air Base*	*$1,800,000*
United Kingdom	*Royal Air Force Lakenheath*	*$17,300,000*
	Royal Air Force Menwith Hill Station	*$41,000,000*

8 *(c) UNSPECIFIED WORLDWIDE.—Using amounts ap-*
9 *propriated pursuant to the authorization of appropriations*
10 *in section 2304(a)(3), the Secretary of the Air Force may*
11 *acquire real property and carry out military construction*
12 *projects for unspecified installations or locations in the*
13 *amount set forth in the following table:*

Air Force: Unspecified Worldwide

Location	Installation or Location	Amount
Worldwide Classified	*Classified Project*	*$1,500,000*
	Classified-Special Evaluation Program	*$13,940,000*

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations or locations, in the number of units, and in the amounts set forth in the following table:

Air Force: Family Housing

State or Country	Installation or Location	Units	Amount
Germany	Ramstein Air Base	117	$56,275,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $12,210,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $294,262,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2007, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,120,191,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $770,173,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $146,409,000.

(3) For the military construction projects at unspecified worldwide locations authorized by section 2301(c), $15,440,000.

(4) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $15,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $62,087,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $362,747,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $688,335,000.

(7) For the construction of increment 3 of the main base runway at Edwards Air Force Base, California, authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3494), $35,000,000.

(8) For the construction of increment 3 of the CENTCOM Joint Intelligence Center at MacDill Air Force Base, Florida, authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109-163; 119 Stat. 3494), as amended by section 2305 of the Military Construction Authorization Act for Fiscal Year 2007 (division B of Public Law 109–364; 120 Stat. 2456), $25,000,000.

SEC. 2305. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2006 PROJECT.

(a) FURTHER MODIFICATION OF INSIDE THE UNITED STATES PROJECT.—The table in section 2301(a) of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3494), as amended by section 2305(a) of the Military Construction

Authorization Act for Fiscal Year 2007 (division B of Public Law 109–364; 120 Stat. 2456), is further amended in the item relating to MacDill Air Force Base, Florida, by striking "$101,500,000" in the amount column and inserting "$126,500,000".

(b) CONFORMING AMENDMENT.—Section 2304(b)(4) of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3496), as amended by section 2305(b) of the Military Construction Authorization Act for Fiscal Year 2007 (division B of Public Law 109–364; 120 Stat. 2456), is further amended is amended by striking "$23,300,000" and inserting "$48,300,000".

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Energy conservation projects.
Sec. 2403. Authorized base closure and realignment activities funded through Department of Defense Base Closure Account 2005.
Sec. 2404. Authorization of appropriations, Defense Agencies.

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects

1 *for the installations or locations inside the United States,*
2 *and in the amounts, set forth in the following tables:*

Defense Education Activity

State	Installation or Location	Amount
North Carolina	Marine Corps Base, Camp Lejeune	$2,014,000

Defense Intelligence Agency

State	Installation or Location	Amount
District of Columbia	Bolling Air Force Base	$1,012,000

Defense Logistics Agency

State	Installation or Location	Amount
California	Port Loma Annex	$140,000,000
Florida	Naval Air Station, Key West	$1,874,000
Hawaii	Hickam Air Force Base	$26,000,000
New Mexico	Kirtland Air Force Base	$1,800,000
Ohio	Defense Supply Center Columbus	$4,000,000
Pennsylvania	Defense Distribution Depot, New Cumberland	$21,000,000
Virginia	Fort Belvoir	$5,000,000

National Security Agency

State	Installation or Location	Amount
Maryland	Fort Meade	$11,901,000

Special Operations Command

State	Installation or Location	Amount
California	Marine Corps Base, Camp Pendleton	$20,030,000
	Naval Amphibious Base, Coronodo	$12,000,000
Florida	Hurlburt Field	$29,111,000
	MacDill Air Force Base	$47,700,000
Georgia	Fort Benning	$35,000,000
	Hunter Army Air Field	$13,800,000
Kentucky	Fort Campbell	$53,500,000
New Mexico	Cannon Air Force Base	$7,500,000
North Carolina	Fort Bragg	$47,250,000
	Marine Corps Base, Camp Lejeune	$28,210,000
Virginia	Dam Neck	$113,800,000
	Naval Amphibious Base, Little Creek	$99,000,000
Washington	Fort Lewis	$77,000,000

TRICARE Management Activity

State	Installation or Location	Amount
Florida	MacDill Air Force Base	$5,000,000
Illinois	Naval Hospital, Great Lakes	$99,000,000
New York	Fort Drum	$41,000,000
Texas	Camp Bullis	$7,400,000
Virginia	Naval Station, Norfolk	$6,450,000

***TRICARE Management Activity**—Continued*

State	Installation or Location	Amount
Washington	*Fort Lewis*	*$21,000,000*

Washington Headquarters Services

State	Installation or Location	Amount
Virginia	*Pentagon Reservation*	*$18,531,000*

1 *(b) OUTSIDE THE UNITED STATES.—Using amounts*
2 *appropriated pursuant to the authorization of appropria-*
3 *tions in section 2404(a)(2), the Secretary of Defense may*
4 *acquire real property and carry out military construction*
5 *projects for the installations or locations outside the United*
6 *States, and in the amounts, set forth in the following tables:*

Defense Education Activity

Country	Installation or Location	Amount
Belgium	*Sterrebeek*	*$5,992,000*
Germany	*Ramstein Air Base*	*$5,393,000*
	Wiesbaden Air Base	*$20,472,000*

Special Operations Command

Country	Installation or Location	Amount
Bahrain	*Southwest Asia*	*$19,000,000*
Qatar	*Al Udeid AB*	*$52,852,000*

TRICARE Management Activity

Country	Installation or Location	Amount
Germany	*Spangdahlem Air Base*	*$30,100,000*

7 *(c) UNSPECIFIED WORLDWIDE.—Using the amounts*
8 *appropriated pursuant to the authorization of appropria-*
9 *tions in section 2404(a)(3), the Secretary of Defense may*
10 *acquire real property and carry out military construction*

projects for unspecified installations or locations in the amount set forth in the following table:

Defense Agencies: Unspecified Worldwide

Location	***Installation or Location***	***Amount***
Worldwide Classified	*Classified Project*	*$1,887,000*

SEC. 2402. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(7), the Secretary of Defense may carry out energy conservation projects under chapter 173 of title 10, United States Code, in the amount of $70,000,000.

SEC. 2403. AUTHORIZED BASE CLOSURE AND REALIGNMENT ACTIVITIES FUNDED THROUGH DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 2005.

Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(9), the Secretary of Defense may carry out base closure and realignment activities, including real property acquisition and military construction projects, as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) and funded through the Department of Defense Base Closure Account 2005 established by section 2906A of such Act, in the amount of $8,174,315,000.

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2007, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments) in the total amount of $10,436,164,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $996,883,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $133,809,000.

(3) For the military construction projects at unspecified worldwide locations authorized by section 2301(c), $1,887,000.

(4) For unspecified minor military construction projects under section 2805 of title 10, United States Code, $23,711,000.

(5) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $10,000,000.

(6) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $147,328,000.

(7) For energy conservation projects authorized by section 2402 of this Act, $70,000,000.

(8) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) and funded through the Department of Defense Base Closure Account 1990 established by section 2906 of such Act, $230,689,000.

(9) For base closure and realignment activities authorized by section 2403 of this Act and funded through the Department of Defense Base Closure Account 2005 established by section 2906A of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $8,174,315,000.

(10) For military family housing functions:

(A) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $48,848,000.

(B) For credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code, $500,000.

(11) For the construction of increment 2 of the health clinic replacement at MacDill Air Force Base, Florida, authorized by section 2401(a) of the Military Construction Authorization Act of Fiscal Year 2007 (division B of Public Law 109–364; 120 Stat. 2457), $41,400,000.

(12) For the construction of increment 2 of the replacement of the Army Medical Research Institute of Infectious Diseases at Fort Detrick, Maryland, authorized by section 2401(a) of the Military Construction Authorization Act of Fiscal Year 2007 (division B of Public Law 109–364; 120 Stat. 2457), $150,000,000.

(13) For the construction of increment 3 of the regional security operations center at Augusta, Georgia, authorized by section 2401(a) of the Military Construction Authorization Act of Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3497), as amended by section 7016 of Public Law 109–234 (120 Stat. 485), $100,000,000.

(14) For the construction of increment 3 of the regional security operations center at Kunia, Hawaii, authorized by section 2401(a) of the Military Construction Authorization Act of Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3497), as

amended by section 7017 of Public Law 109–234 (120 Stat. 485), $136,318,000.

(15) For the construction of increment 8 of a munitions demilitarization facility at Blue Grass Army Depot, Kentucky, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 835), as amended by section 2405 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1298) and section 2405 of the Military Construction Authorization Act for Fiscal Year 2003 (division B of Public Law 107–314; 116 Stat. 2698), $51,017,000.

(16) For the construction of increment 9 of a munitions demilitarization facility at Pueblo Chemical Activity, Colorado, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2775), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 839) and section 2407 of the Military Construction Authorization Act for Fiscal Year 2003 (division

B of Public Law 107–314; 116 Stat. 2698), $35,159,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed the sum of the following:

(1) The total amount authorized to be appropriated under paragraphs (1), (2), and (3) of subsection (a).

(2) $84,300,000 (the balance of the amount authorized for the Defense Logistics Agency under section 2401(a) for the replacement of fuel storage facilities, Point Loma Annex, California).

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment Program as provided in section 2806 of title 10,

United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2007, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment Program authorized by section 2501, in the amount of $201,400,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2007, for the costs of acquisition, architectural and engineering services, and construction of facilities for the reserve components, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), in the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $425,891,000; and

(B) for the Army Reserve, $133,084,000.

(2) For the Department of the Navy, for the Navy Reserve and Marine Corps Reserve, $59,950,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $111,717,000; and

(B) for the Air Force Reserve, $27,559,000.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorizations of certain fiscal year 2005 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 2004 projects.
Sec. 2704. Effective date.

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment Program

(and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 2010; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2011.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment Program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 2010; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2011 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment Program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 2005 PROJECTS.

(a) EXTENSION AND RENEWAL.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108-375;

118 Stat. 2116), authorizations set forth in the tables in subsection (b), as provided in section 2101, 2302, 2401, or 2601 of that Act, shall remain in effect until October 1, 2008, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2009, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 2005 Project Authorization

Installation or Location	Project	Amount
Schofield Barracks, Hawaii	*Training facility*	*$35,542,000*

Air Force: Extension of 2005 Project Authorizations

Installation or Location	Project	Amount
Davis-Monthan Air Force Base, Arizona.	*Family housing (250 units)*	*$48,500,000*
Vandenberg Air Force Base, California.	*Family housing (120 units)*	*$30,906,000*
MacDill Air Force Base, Florida	*Family housing (61 units)*	*$21,723,000*
	Housing maintenance facility	*$1,250,000*
Whiteman Air Force Base, Missouri	*Family housing (160 units)*	*$37,087,000*
Seymour Johnson Air Force Base, North Carolina.	*Family housing (167 units)*	*$32,693,000*
Goodfellow Air Force Base, Texas	*Family housing (127 units)*	*$20,604,000*

Defense Wide: Extension of 2005 Project Authorizations

Installation or Location	Agency and Project	Amount
Naval Air Station, Oceana, Virginia	*DLA bulk fuel storage tank*	*$3,589,000*
Naval Air Station, Jacksonville, Florida	*TMA hospital project*	*$28,438,000*

Army National Guard: Extension of 2005 Project Authorizations

Installation or Location	Project	Amount
Dublin, California	*Readiness center*	*$11,318,000*
Gary, Indiana	*Reserve center*	*$9,380,000*

Army Reserve: Extension of 2005 Project Authorization

Installation or Location	Project	Amount
Corpus Christi (Robstown), Texas	*Storage facility*	*$9,038,000*

1 ***SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN***
2 ***FISCAL YEAR 2004 PROJECTS.***

3 *(a) EXTENSION.—Notwithstanding section 2701 of the*
4 *Military Construction Authorization Act for Fiscal Year*
5 *2004 (division B of Public Law 108–136; 117 Stat. 1716),*
6 *authorizations set forth in the tables in subsection (b), as*
7 *provided in section 2302 or 2601 of that Act and extended*
8 *by section 2702 of the Military Construction Authorization*
9 *Act for Fiscal Year 2007 (division B of Public Law 109–*
10 *364; 120 Stat. 2464), shall remain in effect until October*
11 *1, 2008, or the date of the enactment of an Act authorizing*
12 *funds for military construction for fiscal year 2009, which-*
13 *ever is later.*

14 *(b) TABLES.—The table referred to in subsection (a)*
15 *is as follows:*

Air Force: Extension of 2004 Project Authorizations

Installation or Location	***Project***	***Amount***
Travis Air Force Base, California	*Family housing (56 units)*	*$12,723,000*
Eglin Air Force Base, Florida	*Family housing (279 units)*	*$32,166,000*

Army National Guard: Extension of 2004 Project Authorizations

Installation or Location	***Project***	***Amount***
Albuquerque, New Mexico	*Readiness center*	*$2,533,000*
Fort Indiantown Gap, Pennsylvania	*Multi-purpose training range*	*$15,338,000*

16 ***SEC. 2704. EFFECTIVE DATE.***

17 *Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of*
18 *this Act shall take effect on the later of—*

19 *(1) October 1, 2007; or*

1 *(2) the date of the enactment of this Act.*

2 *TITLE XXVIII—MILITARY CON-*
3 *STRUCTION GENERAL PROVI-*
4 *SIONS*

Subtitle A—Military Construction Program and Military Family Housing Changes

Sec. 2801. Temporary authority to support revitalization of Department of Defense laboratories through unspecified minor military construction projects.
Sec. 2802. Increased threshold for congressional notification of leases for military family housing facilities in foreign countries.
Sec. 2803. Limitation on use of alternative authority for acquisition and improvement of military housing for privatization of temporary lodging facilities.
Sec. 2804. Expansion of authority to exchange reserve component facilities.
Sec. 2805. Extension of authority to accept cash equalization payments for reserve component facility exchanges.
Sec. 2806. Authority to use operation and maintenance funds for construction projects outside the United States.

Subtitle B—Real Property and Facilities Administration

Sec. 2811. Continued consolidation of real property provisions without substantive change.
Sec. 2812. Cooperative agreement authority for management of cultural resources on certain sites outside military installations.
Sec. 2813. Agreements to limit encroachments and other constraints on military training, testing, and operations.
Sec. 2814. Expansion to all military departments of Army pilot program for purchase of certain municipal services for military installations.
Sec. 2815. Retention of proceeds from enhanced use leases at Selfridge Air National Guard Base.
Sec. 2816. Prohibition on commercial flights into Selfridge Air National Guard Base.

Subtitle C—Base Closure and Realignment

Sec. 2821. Transfer of funds from Department of Defense Base Closure Account 2005 to Department of Defense Housing Funds.

Subtitle D—Land Conveyances

Sec. 2831. Conditions on acquisition of land for expansion of Pinon Canyon Maneuver Site, Colorado.
Sec. 2832. Grant of easement, Eglin Air Force Base, Florida.
Sec. 2833. Land conveyance, Lynn Haven Fuel Depot, Lynn Haven, Florida.
Sec. 2834. Additional conditions on lease of property for headquarters facility for United States Southern Command, Florida.
Sec. 2835. Transfer of jurisdiction, former Nike missile site, Grosse Isle, Michigan.
Sec. 2836. Land Exchange, Fort Hood, Texas.

Sec. 2837. Exchange of jurisdiction over real property involving Fort Belvoir, Virginia.

Sec. 2838. Modification of conveyance authority, Marine Corps Base, Camp Pendleton, California.

Subtitle E—Energy Security

Sec. 2851. Repeal of congressional notification requirement regarding cancellation ceiling for Department of Defense energy savings performance contracts.

Sec. 2852. Report on opportunities for leveraging funds of the Department of Defense and States to prevent disruption in event of electric grid or pipeline failures.

Subtitle F—Other Matters

Sec. 2861. Revised deadline for transfer of Arlington Naval Annex to Arlington National Cemetery.

Sec. 2862. Transfer of jurisdiction over Air Force Memorial to Department of the Air Force.

Sec. 2863. Establishment of national military working dog teams monument on suitable military installation.

Sec. 2864. Naming housing facility at Fort Carson, Colorado, in honor of the Honorable Joel Hefley, a former member of the United States House of Representatives.

Sec. 2865. Naming Navy and Marine Corps Reserve Center at Rock Island, Illinois, in honor of the Honorable Lane Evans, a former member of the United States House of Representatives.

Sec. 2866. Naming of research laboratory at Air Force Rome Research Site, Rome, New York, in honor of the Honorable Sherwood L. Boehlert, a former member of the United States House of Representatives.

Sec. 2867. Naming of administration building at Joint Systems Manufacturing Center, Lima, Ohio, in honor of the Honorable Michael G. Oxley, a former member of the United States House of Representatives.

Sec. 2868. Naming of Logistics Automation Training Facility, Army Quartermaster Center and School, Fort Lee, Virginia, in honor of General Richard H. Thompson.

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. TEMPORARY AUTHORITY TO SUPPORT REVITALIZATION OF DEPARTMENT OF DEFENSE LABORATORIES THROUGH UNSPECIFIED MINOR MILITARY CONSTRUCTION PROJECTS.

(a) LABORATORY REVITALIZATION.—Section 2805 of title 10, United States Code, is amended—

(1) by redesignation subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection (d):

"(d) LABORATORY REVITALIZATION.—(1) For the revitalization and recapitalization of laboratories owned by the United States and under the jurisdiction of the Secretary concerned, the Secretary concerned may obligate and expend—

"(A) from appropriations available to the Secretary concerned for operation and maintenance, amounts necessary to carry out an unspecified minor military construction project costing not more than $2,000,000; or

"(B) from appropriations available to the Secretary concerned for military construction not other-

wise authorized by law, amounts necessary to carry out an unspecified minor military construction project costing not more than $5,000,000.

"(2) For an unspecified minor military construction project conducted pursuant to this subsection, $2,000,000 shall be deemed to be the amount specified in subsection (b)(1) regarding when advance approval of the project by the Secretary concerned and congressional notification is required. The Secretary of Defense shall establish procedures for the review and approval of requests from the Secretary of a military department to carry out a construction project under this subsection.

"(3) For purposes of this subsection, the total amount allowed to be applied in any one fiscal year to projects at any one laboratory shall be limited to the larger of the amounts applicable under paragraph (1).

"(4) Not later than February 1, 2010, the Secretary of Defense shall submit to the congressional defense committees a report on the use of the authority provided by this subsection. The report shall include a list and description of the construction projects carried out under this subsection, including the location and cost of each project.

"(5) In this subsection, the term 'laboratory' includes—

"(A) a research, engineering, and development center; and

"(B) a test and evaluation activity.

"(6) The authority to carry out a project under this subsection expires on September 30, 2012.".

(b) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "AUTHORITY TO CARRY OUT UNSPECIFIED MINOR MILITARY CONSTRUCTION PROJECTS.—" after "(a)";

(2) in subsection (b), by inserting "APPROVAL AND CONGRESSIONAL NOTIFICATION.—" after "(b)";

(3) in subsection (c), by inserting "USE OF OPERATION AND MAINTENANCE FUNDS.—" after "(c)"; and

(4) in subsection (e), as redesignated by subsection (a)(1), by inserting "PROHIBITION ON USE FOR NEW HOUSING UNITS.—" after "(e)".

SEC. 2802. INCREASED THRESHOLD FOR CONGRESSIONAL NOTIFICATION OF LEASES FOR MILITARY FAMILY HOUSING FACILITIES IN FOREIGN COUNTRIES.

Section 2828(f) of title 10, United States Code, is amended by striking "$500,000" and inserting "$1,000,000".

SEC. 2803. LIMITATION ON USE OF ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING FOR PRIVATIZATION OF TEMPORARY LODGING FACILITIES.

(a) PRIVATIZATION LIMITED TO PILOT PROGRAM.—Section 2878 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) LIMITATION ON PRIVATIZATION OF TEMPORARY LODGING FACILITIES.—Notwithstanding any other provision of this subchapter, the privatization of temporary lodging facilities under this subchapter shall be limited to a pilot program to be conducted by the Secretary of the Army at the following military installations:

"(1) Redstone Arsenal, Alabama.

"(2) Fort Rucker, Alabama.

"(3) Yuma Proving Ground, Arizona.

"(4) Fort McNair, District of Columbia.

"(5) Fort Shafter, Hawaii.

"(6) Tripler Army Medical Center, Hawaii.

"(7) Fort Leavenworth, Kansas.

"(8) Fort Riley, Kansas.

"(9) Fort Polk, Louisiana.

"(10) Fort Sill, Oklahoma.

"(11) Fort Hood, Texas.

"(12) Fort Sam Houston, Texas.

"(13) Fort Myer, Virginia.".

(b) REPORTING REQUIREMENTS.—

(1) REPORT BY SECRETARY OF THE ARMY.—Not later than June 1, 2009, the Secretary of the Army shall submit to the congressional defense committees and the Comptroller General a report that—

(A) describes the implementation of the pilot program authorized by subsection (e) of section 2878 of title 10, United States Code, as added by this section, at the military installations specified in such subsection;

(B) evaluates the efficiency of the program; and

(C) contains such recommendations as the Secretary considers appropriate regarding expansion of the program.

(2) REPORT BY COMPTROLLER GENERAL.—Not later than February 1, 2010, the Comptroller General shall submit to the congressional defense committees a review of the pilot program and of the report of the Secretary.

SEC. 2804. EXPANSION OF AUTHORITY TO EXCHANGE RESERVE COMPONENT FACILITIES.

Section 18240(a) of title 10, United States Code is amended by striking "with a State" in the first sentence and inserting "with an Executive agency (as defined in sec-

tion 105 of title 5), the United States Postal Service, a State".

SEC. 2805. EXTENSION OF AUTHORITY TO ACCEPT CASH EQUALIZATION PAYMENTS FOR RESERVE COMPONENT FACILITY EXCHANGES.

Section 2809(c)(5) of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2126) is amended by striking "September 30, 2007" and inserting "September 30, 2010".

SEC. 2806. AUTHORITY TO USE OPERATION AND MAINTENANCE FUNDS FOR CONSTRUCTION PROJECTS OUTSIDE THE UNITED STATES.

(a) ONE-YEAR EXTENSION OF AUTHORITY.—Subsection (a) of section 2808 of the Military Construction Authorization Act for Fiscal Year 2004 (division B of Public Law 108–136; 117 Stat. 1723), as amended by section 2810 of the Military Construction Authorization Act for Fiscal Year 2005 (division B of Public Law 108–375; 118 Stat. 2128), section 2809 of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3508), and section 2802 of the Military Construction Authorization Act for Fiscal Year 2007 (division B of Public Law 109–364; 120 Stat. 2466), is further amended by striking "2007" and inserting "2008".

(b) REPEAL OF QUARTERLY REPORTS; ADVANCE NOTICE OF CERTAIN PROJECTS.—Such section is further amended—

(1) in subsection (b), by striking "Within seven days after" and inserting "Except with respect to a construction project described in subsection (d), within seven days after";

(2) by striking subsection (d) and inserting the following new subsection:

"(d) ADVANCE NOTICE OF CERTAIN CONSTRUCTION PROJECTS.—When a decision is made to use appropriated funds available for operation and maintenance to carry out a construction project outside the United States that has an estimated cost in excess of the amounts authorized for unspecified minor military construction projects under section 2805(c) of title 10, United States Code, the Secretary of Defense shall notify the congressional committees specified in subsection (f) of that decision, including the information required by subsection (b). The project may then be carried out only after the end of the 21-day period beginning on the date the notification is received by the committees or, if earlier, the end of the 14-day period beginning on the date on which a copy of the notification is provided in an electronic medium pursuant to section 480 of title 10, United States Code. If notice is provided under this sub-

section with respect to a project, notice is not required under subsection (b) with respect to the same project."; and

(3) by striking subsection (g) and inserting the following new subsection:

"(g) EFFECT OF FAILURE TO SUBMIT PROJECT NOTIFICATIONS.—If the notices regarding the obligation of the funds for a construction project required by subsection (b) or (d) is not submitted to the congressional committees specified in subsection (f) by the required date, appropriated funds available for operation and maintenance may not be obligated or expended after that date under the authority of this section to carry out construction projects outside the United States until the date on which the notice is finally submitted.".

Subtitle B—Real Property and Facilities Administration

SEC. 2811. CONTINUED CONSOLIDATION OF REAL PROPERTY PROVISIONS WITHOUT SUBSTANTIVE CHANGE.

(a) CONSOLIDATION.—Section 2663 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(h) LAND ACQUISITION OPTIONS IN ADVANCE OF MILITARY CONSTRUCTION PROJECTS.—(1) The Secretary of a military department may acquire an option on a parcel

of real property before or after its acquisition is authorized by law, if the Secretary considers it suitable and likely to be needed for a military project of the military department under the jurisdiction of the Secretary.

"(2) As consideration for an option acquired under paragraph (1), the Secretary may pay, from funds available to the military department under the jurisdiction of the Secretary for real property activities, an amount that is not more than 12 percent of the appraised fair market value of the property.".

(b) REPEAL OF SUPERSEDED PROVISION.—

(1) REPEAL.—Section 2677 of such title is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 159 of such title is amended by striking the item relating to section 2677.

SEC. 2812. COOPERATIVE AGREEMENT AUTHORITY FOR MANAGEMENT OF CULTURAL RESOURCES ON CERTAIN SITES OUTSIDE MILITARY INSTALLATIONS.

(a) EXPANDED AUTHORITY.—Section 2684 of title 10, United States Code, is amended—

(1) in subsection (a), by striking "on a military installation" and inserting "located on a site authorized by subsection (b)";

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

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

"(b) AUTHORIZED CULTURAL RESOURCES SITES.—To be covered by a cooperative agreement under subsection (a), cultural resources must be located—

"(1) on a military installation; or

"(2) on a site outside of a military installation, but only if the cooperative agreement will directly relieve or eliminate current or anticipated restrictions that would or might restrict, impede, or otherwise interfere, whether directly or indirectly, with current or anticipated military training, testing, or operations on a military installation.".

(b) CULTURAL RESOURCE DEFINED.—Subsection (d) of such section, as redesignated by subsection (a)(2), is amended by adding at the end the following new paragraph:

"(5) An Indian sacred site, as defined in section 1(b)(iii) of Executive Order 13007.".

SEC. 2813. AGREEMENTS TO LIMIT ENCROACHMENTS AND OTHER CONSTRAINTS ON MILITARY TRAINING, TESTING, AND OPERATIONS.

(a) MANAGEMENT OF NATURAL RESOURCES OF ACQUIRED PROPERTY.—Subsection (d) of section 2684a of title 10, United States Code, is amended—

(1) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (4), (5), (6), and (7), respectively; and

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

"(3) An agreement with an eligible entity under this section may provide for the management of natural resources on real property in which the Secretary concerned acquires any right, title, or interest in accordance with this subsection and for the payment by the United States of all or a portion of the costs of such natural resource management if the Secretary concerned determines that there is a demonstrated need to preserve or restore habitat for the purpose described in subsection (a)(2).".

(b) LIMITATION ON PORTION OF ACQUISITION COSTS BORNE BY UNITED STATES.—Paragraph (4)(C) of such subsection, as redesignated by subsection (a)(1), is amended by striking "equal to the fair market value" and all that follows through the period at the end and inserting "equal to, at the discretion of the Secretary concerned—

"(i) the fair market value of any property or interest in property to be transferred to the United States upon the request of the Secretary concerned under paragraph (5); or

"(ii) the cumulative fair market value of all properties or interests to be transferred to the United States under paragraph (5) pursuant to an agreement under subsection (a).".

SEC. 2814. EXPANSION TO ALL MILITARY DEPARTMENTS OF ARMY PILOT PROGRAM FOR PURCHASE OF CERTAIN MUNICIPAL SERVICES FOR MILITARY INSTALLATIONS.

(a) EXPANSION OF PILOT PROGRAM.—Section 325 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 10 U.S.C. 2461 note) is amended—

*(1) in the section heading, by striking "**ARMY**" and inserting "**MILITARY**";*

(2) in subsection (a)—

(A) by striking "Secretary of the Army" and inserting "Secretary of a military department"; and

(B) by striking "an Army installation" and inserting "a military installation under the jurisdiction of the Secretary"; and

(3) in subsection (d), by striking "The Secretary" and inserting "The Secretary of a military department".

(b) PARTICIPATING INSTALLATIONS.—Subsection (c) of such section is amended by striking "two Army installations" and inserting "three military installations of each branch of the Armed Forces".

(c) EXTENSION OF DURATION OF PROGRAM.—Such section is further amended by striking subsections (e) and (f) and inserting the following new subsection:

"(e) TERMINATION OF PILOT PROGRAM.—The pilot program shall terminate on September 30, 2012. Any contract entered into under the pilot program shall terminate not later than that date.".

SEC. 2815. RETENTION OF PROCEEDS FROM ENHANCED USE LEASES AT SELFRIDGE AIR NATIONAL GUARD BASE.

Notwithstanding section 2667(e) of title 10, United States Code, or any other provision of law to the contrary, the proceeds derived from the execution of an enhanced use lease at Selfridge Air National Guard Base shall not be disbursed outside of that military installation.

SEC. 2816. PROHIBITION ON COMMERCIAL FLIGHTS INTO SELFRIDGE AIR NATIONAL GUARD BASE.

The Secretary of Defense shall prohibit the use of Selfridge Air National Guard Base by commercial service aircraft.

Subtitle C—Base Closure and Realignment

SEC. 2821. TRANSFER OF FUNDS FROM DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 2005 TO DEPARTMENT OF DEFENSE HOUSING FUNDS.

(a) TRANSFER AUTHORITY.—Subsection (c) of section 2883 of title 10, United States Code, is amended—

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

"(G) Subject to subsection (f), any amounts that the Secretary of Defense transfers to that Fund from amounts in the Department of Defense Base Closure Account 2005."; and

(2) in paragraph (2), by adding at the end the following new subparagraph:

"(G) Subject to subsection (f), any amounts that the Secretary of Defense transfers to that Fund from amounts in the Department of Defense Base Closure Account 2005.".

(b) NOTIFICATION.—Subsection (f) of such section is amended by striking "paragraph (1)(B) or (2)(B)" and in-

serting "subparagraph (B) or (G) of paragraph (1) or subparagraph (B) or (G) of paragraph (2)".

Subtitle D—Land Conveyances

SEC. 2831. CONDITIONS ON ACQUISITION OF LAND FOR EXPANSION OF PINON CANYON MANEUVER SITE, COLORADO.

(a) IMPOSITION OF CONDITIONS.—After completion of the review required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), if the Secretary of the Army decides to acquire real property or an interest in real property located near the Pinon Canyon Maneuver Site in the State of Colorado (in this section referred to as the "Site") for the purpose of expanding the Site, the acquisition of such real property shall be subject to the requirements of this section.

(b) LIMITATION ON EXPANSION METHODS.—The Secretary of the Army shall not tender an offer for the acquisition of, or employ condemnation, eminent domain, or seizure of, real property, or interest in real property, for the purpose of expanding the Site until the Secretary has complied with the following:

(1) NEPA REVIEW.—The Secretary of the Army shall complete the requisite reviews under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) USE OF NEGOTIATION.—The Secretary of the Army shall comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et. seq.) by making every reasonable effort to acquire by negotiation the real property, or interest in real property, such as a lease or easement.

(3) ARBITRATION.—Notwithstanding, and in lieu of, any other provision of law regarding arbitration or alternate dispute resolution, the Secretary of the Army shall notify the property owner or owners of their right to seek third party arbitration, as identified in this paragraph, and of the desire of the Secretary to conclude a negotiated agreement as to the value of the real property or interest in real property sought for acquisition by the Secretary. If the property owner or owners and the Army do not reach an agreement within 90 days after the Army has provided such notice, on the request of the property owner or owners to the Secretary, the matter shall be referred to third party arbitration for resolution within a period of 90 days from the date of referral. The decision of the arbitrator will be binding.

(c) CONDITIONS ON ARBITRATION.—

(1) CONDITIONS.—Arbitration under subsection (b)(3) shall be subject to the following conditions:

(A) The cost of such arbitration shall be the responsibility of the Secretary of the Army.

(B) The Secretary of the Army shall identify at least three neutral third parties with experience in conducting arbitrations as to real property values and shall make this information available to the property owner or owners.

(C) The issue of property value shall be referred to an arbitrator selected by the property owner or owners from the neutral third parties identified by the Secretary of the Army pursuant to subparagraph (B).

(D) The Army shall reimburse the property owner or owners for reasonable costs incurred in pursuing the arbitration as established by the arbitrator.

(2) ARBITRATOR POWERS AND IMMUNITIES.—An arbitrator selected under paragraph (1)(C) to whom an action is referred under this section shall have the power within the acquisition process to conduct arbitration hearings, to administer oaths and affirmations, and to make decisions as to the value of the real property or interest in real property subject to arbi-

tration. An individual serving as arbitrators pursuant to this section is entitled to the immunities and protections provided by law.

(d) COMMUNITY PLANNING ASSISTANCE.—A community adversely impacted by the acquisition by the Secretary of the Army of real property for the purpose of expanding the Site shall be deemed to be eligible for adjustment assistance under section 2391(b) of title 10, United States Code. The Secretary shall consult with the Governor of Colorado regarding other steps that may be taken to address impacts on local governments and affected communities.

(e) CONSULTATION REGARDING RESULTING STATUS OF ACQUIRED LAND.—The Secretary of the Army shall consult with the Secretary of Interior regarding the status of any real property acquired for the purpose of expanding the Site for purposes of payments to local governments under section 6901 of title 31, United States Code.

(f) ACCESS.—

(1) ACCESS TO CULTURAL AND HISTORIC SITES.—The Secretary of the Army shall ensure reasonable access to cultural and historic sites within the Site.

(2) GRAZING.—Where appropriate and under reasonable conditions, the Secretary of the Army shall allow the grazing of livestock within the Site.

(g) FOREST SERVICE LANDS.—If the Secretary of the Army seeks to use real property for military purposes in the area of interest, which as of the date of the enactment of this Act were managed by the Secretary of Agriculture, the Secretary of the Army shall—

(1) secure a special use permit, including terms and conditions for such use that are agreed to by the Secretary of the Army and the Secretary of Agriculture; or

(2) upon agreement with the Secretary of Agriculture, enter into an interchange of lands under the authority of section 1 of the Act of July 26, 1956 (16 U.S.C. 505a).

(h) STATE LANDS.—The Secretary of the Army shall seek to reach agreement with the Governor of Colorado on terms, conditions, and reasonable compensation under which lands in the area of interest owned by the State of Colorado can be used for military purposes.

SEC. 2832. GRANT OF EASEMENT, EGLIN AIR FORCE BASE, FLORIDA.

(a) GRANT REQUIRED.—The Secretary of the Air Force shall use the authority provided by section 2668 of title 10, United States Code, to grant to the Mid Bay Bridge Authority an easement for a roadway right-of-way over such land at Eglin Air Force Base, Florida, as the Sec-

retary determines necessary to facilitate the construction of a road connecting the northern landfall of the Mid Bay Bridge to Florida State Highway 85.

(b) CONSIDERATION.—As consideration for the grant of the easement under subsection (a), the Mid Bay Bridge Authority shall pay to the Secretary an amount equal to the fair-market-value of the easement, as determined by the Secretary.

(c) COSTS OF PROJECT.—As a condition of the grant of the easement under subsection (a), the Mid Bay Bridge Authority shall be responsible for all costs associated with the highway project described in such subsection, including all costs the Secretary determines to be necessary to address any impacts that the project may have on the defense missions at Eglin Air Force Base.

SEC. 2833. LAND CONVEYANCE, LYNN HAVEN FUEL DEPOT, LYNN HAVEN, FLORIDA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey to Florida State University (in this section referred to as the "'University") all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 40 acres located at the Lynn Haven Fuel Depot in Lynn Haven, Florida, for the purpose of permitting the

University to develop the property as a new satellite campus.

(b) CONSIDERATION.—

(1) IN GENERAL.—For the conveyance of the property under subsection (a), the University shall provide the United States with consideration in an amount that is acceptable to the Secretary, whether in the form of cash payment, in-kind consideration, or a combination thereof.

(2) REDUCED TUITION RATES.—The Secretary may accept as in-kind consideration under paragraph (1) reduced tuition rates or scholarships for military personnel and their dependents at the University.

(c) PAYMENT OF COSTS OF CONVEYANCES.—

(1) PAYMENT REQUIRED.—The Secretary shall require the University to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the conveyance under subsection (a), including survey costs, related to the conveyance. If amounts are collected from the University in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the University.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received under paragraph (1) as reimbursement for costs incurred by the Secretary to carry out the conveyance under subsection (a) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(e) ADDITIONAL TERM AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2834. ADDITIONAL CONDITIONS ON LEASE OF PROPERTY FOR HEADQUARTERS FACILITY FOR UNITED STATES SOUTHERN COMMAND, FLORIDA.

(a) USE OF PROPERTY AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may utilize the property of the State of Florida described in sublease number 4489-01, which was entered into between the State of Florida and the United States, for the purpose of construction of a consolidated headquarters facility for the United States Southern Command.

(b) NEGOTIATION FOR ADDITIONAL AUTHORIZED USES OF PROPERTY.—Given the substantial investment to be made by the United States to construct a headquarters facility for the United States Southern Command on the property referred to in subsection (a), the Secretary shall enter into negotiations to secure, before the award of a contract for the construction of the facility, additional flexibility for the United States to use the property for general administrative purposes for any Federal agency, including in the event the property is no longer used for the United States Southern Command.

(c) ACQUISITION OF ADDITIONAL PROPERTY.—The Secretary may obtain the use of additional State lands adjacent to the property referred to in subsection (a), if available by the terms of the lease referred to in such subsection

and needed to complete the construction of the headquarters facility for the United States Southern Command. Subsection (b) shall apply with respect to any additional property secured under this subsection.

SEC. 2835. TRANSFER OF JURISDICTION, FORMER NIKE MISSILE SITE, GROSSE ISLE, MICHIGAN.

(a) TRANSFER.—Administrative jurisdiction over the property described in subsection (b) is hereby transferred from the Administrator of the Environmental Protection Agency to the Secretary of the Interior.

(b) PROPERTY DESCRIBED.—The property referred to in subsection (a) is the former Nike missile site located at the southern end of Grosse Ile, Michigan, as depicted on the map entitled "07–CE" on file with the Environmental Protection Agency and dated May 16, 1984.

(c) ADMINISTRATION OF PROPERTY.—Subject to subsection (d), the Secretary of the Interior shall administer the property described in subsection (b)—

(1) acting through the United States Fish and Wildlife Service;

(2) as part of the Detroit River International Wildlife Refuge; and

(3) for use as a habitat for fish and wildlife and as a recreational property for outdoor education and environmental appreciation.

(d) MANAGEMENT OF REMEDIATION BY ARMY CORPS OF ENGINEERS.—The Secretary of Defense, acting through the district office of the Army Corps of Engineers in Louisville, Kentucky, shall manage and carry out environmental remediation activities with respect to the property described in subsection (b) that, at a minimum, achieve the standard that the United States Fish and Wildlife Service determines sufficient to allow the property to be used as provided in subsection (c)(3). Such remediation activities, with the exception of long-term monitoring, shall be completed to achieve that standard not later than two years after the date of enactment of this Act. The Secretary of Defense may use amounts made available from the account established by section 2703(a)(5) of title 10, United States Code, to carry out such remediation.

(e) SAVINGS PROVISION.—Nothing in this section shall be construed to affect or limit the application of, or any obligation to comply with, any environmental law, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

SEC. 2836. LAND EXCHANGE, FORT HOOD, TEXAS.

(a) EXCHANGE AUTHORIZED.—The Secretary of the Army may convey to the City of Copperas Cove, Texas (in

this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 200 acres at Fort Hood, Texas, for the purpose of permitting the City to improve arterial transportation routes in the community.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall convey to the Secretary all right, title, and interest of the City in and to one or more parcels of real property that are acceptable to the Secretary. The fair market value of the real property acquired by the Secretary under this subsection shall be equal to the fair market value of the real property conveyed under subsection (a), as determined by appraisals acceptable to the Secretary.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be exchanged under this section shall be determined by surveys satisfactory to the Secretary.

(d) PAYMENT OF COSTS OF CONVEYANCES.—

(1) PAYMENT REQUIRED.—The Secretary shall require the City to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the conveyances under this section, including survey costs, related to

the conveyances. If amounts are collected from the City in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyances, the Secretary shall refund the excess amount to the City.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received under paragraph (1) as reimbursement for costs incurred by the Secretary to carry out the conveyances under this section shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyances. Amounts so credited shall be merged with amounts in such fund or account and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(e) ADDITIONAL TERM AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2837. EXCHANGE OF JURISDICTION OVER REAL PROPERTY INVOLVING FORT BELVOIR, VIRGINIA.

(a) EXCHANGE.—Not later than September 30, 2008, the Administrator of General Services and the Secretary of the Army shall enter into an agreement providing for a property exchange under which—

(1) the Administrator transfers to the jurisdiction, custody, and control of the Secretary—

(A) the parcel of real property described in subsection (b), including any improvements thereon; or

(B) subject to a boundary determination by the Administrator and concurrence by the Secretary, a portion of the parcel of real property described in subsection (b), including any improvements on that portion; and

(2) the Secretary transfers to the jurisdiction, custody, and control of the Administrator a parcel of real property described in subsection (c).

(b) GSA PROPERTY DESCRIPTION.—The property and improvements referred to in subsection (a)(1) is the approximately 72.23 acre site at 6999 Loisdale Road in Springfield, Virginia, known as the GSA Franconia Warehouse, identified in the land records of Fairfax County, Virginia, as Parcel ID # 0902-01-0057, Lee District tax district 4000.

(c) ARMY PROPERTY DESCRIPTION.—

(1) IN GENERAL.—The property referred to in subsection (a)(2) is a parcel of real property acceptable to the Administrator located at either—

(A) Fort Belvoir, Virginia; or

(B) another installation under the jurisdiction of the Department of Army in the National Capital Region.

(2) IMPROVEMENTS.—The parcel of real property selected for transfer may include improvements on the property made by the Army before the date of the enactment of this Act.

(d) NEGOTIATION.—

(1) TERMS AND CONDITIONS.—As a condition of the exchange of property under subsection (a), the agreement under such subsection shall provide that the fair market value of the properties to be exchanged shall be equal or equalized through the use of a cash equalization payment.

(2) DETERMINATION OF FAIR MARKET VALUE.—For purposes of paragraph (1), the fair market value of the property shall be determined—

(A) based on the highest and best use of the property, as determined by an independent ap-

praisal jointly commissioned by the Administrator and the Secretary of the Army; and

(B) using the definition of fair market value contained in the Uniform Appraisal Standards for Federal Land Acquisitions.

(e) NO EFFECT ON COMPLIANCE WITH ENVIRONMENTAL LAWS.—Nothing in this section may be construed to affect or limit the application of, or obligation to comply with, any environmental law, including section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)).

(f) USE OF PROPERTY.—After completion of the exchange of property under subsection (a), the Secretary may relocate personnel to facilities to be constructed or leased (or a combination of both) on the property who otherwise would be located or relocated to Fort Belvoir.

(g) RELOCATION OF PERSONNEL, EQUIPMENT, AND SUPPLIES.—

(1) IN GENERAL.—Subject to paragraph (2), the Administrator may procure and provide space for the relocation of personnel, equipment, and supplies of the General Services Administration and its tenants on property transferred under subsection (a)(1).

(2) NOTICE TO COMMITTEES.—Before undertaking an activity under paragraph (1) that other-

wise would require approval of a prospectus under section 3307 of title 40, United States Code, the Administrator shall provide to the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on Environment and Public Works of the Senate, and the congressional defense committees a written notice containing a description of the activity to be undertaken.

(3) RELOCATION COSTS.—As a condition of the transfer of property under subsection (a), the Secretary shall agree—

(A) to advance funds to the Administrator to cover the costs projected to be incurred by the Administrator, based on an estimate of such costs prepared by the Administrator, for relocating personnel, equipment, and supplies of the General Services Administration and its tenants from the property; and

(B) if the initial advance of funds is insufficient, to advance additional funds to the Administrator in accordance with a revised or supplemental estimate prepared by the Administrator.

(4) EXCESS FUNDS.—The Administrator shall return to the Secretary any funds received under

paragraph (3) that are not used for the purposes described in such paragraph.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Administrator and the Secretary of the Army may require such additional terms and conditions in connection with the exchange under subsection (a) as the Administrator, in consultation with the Secretary, determines appropriate to protect the interests of the United States and further the purposes of this section.

SEC. 2838. MODIFICATION OF CONVEYANCE AUTHORITY, MARINE CORPS BASE, CAMP PENDLETON, CALIFORNIA.

Section 2851(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2219) is amended by striking ", notwithstanding any provision of State law to the contrary,", as added by section 2867 of Public Law 107–107 (115 Stat. 1334).

Subtitle E—Energy Security

SEC. 2851. REPEAL OF CONGRESSIONAL NOTIFICATION REQUIREMENT REGARDING CANCELLATION CEILING FOR DEPARTMENT OF DEFENSE ENERGY SAVINGS PERFORMANCE CONTRACTS.

Section 2913 of title 10, United States Code, is amended by striking subsection (e).

SEC. 2852. REPORT ON OPPORTUNITIES FOR LEVERAGING FUNDS OF THE DEPARTMENT OF DEFENSE AND STATES TO PREVENT DISRUPTION IN EVENT OF ELECTRIC GRID OR PIPELINE FAILURES.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall submit to the congressional defense committees a report on approaches by which the Department of Defense may contribute funds and other resources of the Department, which when combined with resources from other funding sources, such as State System Benefit Trust Funds, Clean Air Act State Implementation Funds, and State Homeland Security Critical Infrastructure Grants, will accelerate efforts to harden critical functions on and around military and security facilities to prevent disruption in the event of major electric grid or natural gas or petroleum pipeline failures.

Subtitle F—Other Matters

SEC. 2861. REVISED DEADLINE FOR TRANSFER OF ARLINGTON NAVAL ANNEX TO ARLINGTON NATIONAL CEMETERY.

Section 2881(h) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law

106–65; 113 Stat. 880) is amended by striking paragraphs (1) and (2) and inserting the following new paragraphs:

"(1) January 1, 2013;

"(2) the date on which the Navy Annex property is no longer required (as determined by the Secretary of Defense) for use as temporary office space; or

"(3) one year after the date on which the Secretary of the Army notifies the Secretary of Defense that the Navy Annex property is needed for the expansion of Arlington National Cemetery.".

SEC. 2862. TRANSFER OF JURISDICTION OVER AIR FORCE MEMORIAL TO DEPARTMENT OF THE AIR FORCE.

(a) TRANSFER OF JURISDICTION.—Notwithstanding section 2881 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 879) and section 2863 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1330; 40 U.S.C. 1003 note), administrative jurisdiction, custody, and control of the parcel of Federal land described in subsection (b)(1) of such section 2863 is hereby transferred to the Secretary of the Air Force.

(b) ACCESS AND MANAGEMENT OF AIR FORCE MEMORIAL.—In addition to authorities available to the Secretary

of the Air Force under any other provision of law, the Secretary may enter into a cooperative agreement with the Air Force Memorial Foundation or other appropriate private organizations to provide management, maintenance, and repair of the Air Force Memorial and surrounding site and to facilitate public access to the memorial.

SEC. 2863. ESTABLISHMENT OF NATIONAL MILITARY WORKING DOG TEAMS MONUMENT ON SUITABLE MILITARY INSTALLATION.

(a) AUTHORITY TO ESTABLISH MONUMENT.—The Secretary of Defense may permit the National War Dogs Monument, Inc., to establish and maintain, at a suitable location at Fort Belvoir, Virginia, or another military installation in the United States, a national monument to honor the sacrifice and service of United States Armed Forces working dog teams that have participated in the military operations of the United States.

(b) LOCATION AND DESIGN OF MONUMENT.—The actual location and final design of the monument authorized by subsection (a) shall be subject to the approval of the Secretary. In selecting the military installation and site on such installation to serve as the location for the monument, the Secretary shall seek to maximize access to the resulting monument for both visitors and their dogs.

(c) MAINTENANCE.—The maintenance of the monument authorized by subsection (a) by the National War Dogs Monument, Inc., shall be subject to such conditions regarding access to the monument, and such other conditions, as the Secretary considers appropriate to protect the interests of the United States.

(d) LIMITATION ON PAYMENT OF EXPENSES.—The United States Government shall not pay any expense for the establishment or maintenance of the monument authorized by subsection (a).

SEC. 2864. NAMING HOUSING FACILITY AT FORT CARSON, COLORADO, IN HONOR OF THE HONORABLE JOEL HEFLEY, A FORMER MEMBER OF THE UNITED STATES HOUSE OF REPRESENTATIVES.

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

(1) Representative Joel Hefley was elected to represent Colorado's 5th Congressional district in 1986 and served in the House of Representatives until the end of the 109th Congress in 2006 with distinction, class, integrity, and honor.

(2) Representative Hefley served on the Committee on Armed Services of the House of Representatives for 18 years, including service as Chairman of the Subcommittee on Military Installations and Fa-

cilities from 1995 through 2000 and, from 2001 through 2006, as Chairman of the Subcommittee on Readiness.

(3) Representative Hefley's colleagues know him to be a fair and effective lawmaker who worked for the national interest while never forgetting his Western roots.

(4) Representative Hefley's efforts on the Committee on Armed Services were instrumental to the military value of, and quality of life at, installations in the State of Colorado, including Fort Carson, Cheyenne Mountain, Peterson Air Force Base, Schriever Air Force Base, Buckley Air Force Base, and the United States Air Force Academy.

(5) Representative Hefley was a leader in efforts to retain and expand Fort Carson as an essential part of the national defense system during the Defense Base Closure and Realignment process.

(6) Representative Hefley consistently advocated for providing members of the Armed Forces and their families with quality, safe, and affordable housing and supportive communities.

(7) Representative Hefley spearheaded the Military Housing Privatization Initiative to eliminate

inadequate housing on military installations, with the first pilot program located at Fort Carson.

(8) Representative Hefley's leadership on the Military Housing Privatization Initiative allowed for the privatization of more than 121,000 units of military family housing, which brought meaningful improvements to living conditions for thousands of members of the Armed Forces and their spouses and children at installations throughout the United States.

(9) It is fitting and proper that an appropriate military family housing area or structure at Fort Carson be designated in honor of Representative Hefley.

(b) DESIGNATION.—Notwithstanding Army Regulation AR 1–33, the Secretary of the Army shall designate one of the military family housing areas or facilities constructed for Fort Carson, Colorado, using the authority provided by subchapter IV of chapter 169 of title 10, United States Code, as the "Joel Hefley Village".

SEC. 2865. NAMING NAVY AND MARINE CORPS RESERVE CENTER AT ROCK ISLAND, ILLINOIS, IN HONOR OF THE HONORABLE LANE EVANS, A FORMER MEMBER OF THE UNITED STATES HOUSE OF REPRESENTATIVES.

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

(1) Representative Lane Evans was elected to the House of Representatives in 1982 and served in the House of Representatives until the end of the 109th Congress in 2006 representing the people of Illinois' 17th Congressional district.

(2) As a member of the Committee on Armed Services of the House of Representatives, Representative Evans worked to bring common sense priorities to defense spending and strengthen the military's conventional readiness.

(3) Representative Evans was a tireless advocate for military veterans, ensuring that veterans receive the medical care they need and advocating for individuals suffering from post-traumatic stress disorder and Gulf War Syndrome.

(4) Representative Evans' efforts to improve the transition of individuals from military service to the care of the Department of Veterans Affairs will continue to benefit generations of veterans long into the future.

(5) Representative Evans is credited with bringing new services to veterans living in his Congressional district, including outpatient clinics in the Quad Cities and Quincy and the Quad-Cities Vet Center.

(6) Representative Evans worked with local leaders to promote the Rock Island Arsenal, and it earned new jobs and missions through his support.

(7) In honor of his service in the Marine Corps and to his district and the United States, it is fitting and proper that the Navy and Marine Corps Reserve Center at Rock Island Arsenal be named in honor of Representative Evans.

(b) DESIGNATION.—The Navy and Marine Corps Reserve Center at Rock Island Arsenal, Illinois, shall be known and designated as the "Lane Evans Navy and Marine Corps Reserve Center". Any reference in a law, map, regulation, document, paper, or other record of the United States to the Navy and Marine Corps Reserve Center at Rock Island Arsenal shall be deemed to be a reference to the Lane Evans Navy and Marine Corps Reserve Center.

SEC. 2866. NAMING OF RESEARCH LABORATORY AT AIR FORCE ROME RESEARCH SITE, ROME, NEW YORK, IN HONOR OF THE HONORABLE SHERWOOD L. BOEHLERT, A FORMER MEMBER OF THE UNITED STATES HOUSE OF REPRESENTATIVES.

The new laboratory building at the Air Force Rome Research Site, Rome, New York, shall be known and designated as the "Sherwood Boehlert Center of Excellence for

Information Science and Technology". Any reference in a law, map, regulation, document, paper, or other record of the United States to such laboratory facility shall be deemed to be a reference to the Sherwood Boehlert Center of Excellence for Information Science and Technology.

SEC. 2867. NAMING OF ADMINISTRATION BUILDING AT JOINT SYSTEMS MANUFACTURING CENTER, LIMA, OHIO, IN HONOR OF THE HONORABLE MICHAEL G. OXLEY, A FORMER MEMBER OF THE UNITED STATES HOUSE OF REPRESENTATIVES.

The administration building under construction at the Joint Systems Manufacturing Center in Lima, Ohio, shall be known and designated as the "Michael G. Oxley Administration and Technology Center". Any reference in a law, map, regulation, document, paper, or other record of the United States to such building shall be deemed to be a reference to the Michael G. Oxley Administration and Technology Center.

SEC. 2868. NAMING OF LOGISTICS AUTOMATION TRAINING FACILITY, ARMY QUARTERMASTER CENTER AND SCHOOL, FORT LEE, VIRGINIA, IN HONOR OF GENERAL RICHARD H. THOMPSON.

Notwithstanding Army Regulation AR 1–33, the Logistics Automation Training Facility of the Army Quarter-

master Center and School at Fort Lee, Virginia, shall be known and designated as the "General Richard H. Thompson Logistics Automation Training Facility" in honor of General Richard H. Thompson, the only quartermaster to have risen from private to full general. Any reference in a law, map, regulation, document, paper, or other record of the United States to such facility shall be deemed to be a reference to the General Richard H. Thompson Logistics Automation Training Facility.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

Sec. 3101. National Nuclear Security Administration.
Sec. 3102. Defense environmental cleanup.
Sec. 3103. Other defense activities.
Sec. 3104. Defense nuclear waste disposal.

Subtitle B—Program Authorizations, Restrictions, and Limitations

Sec. 3111. Study on using existing pits for the Reliable Replacement Warhead program.
Sec. 3112. National Nuclear Security Administration study on nuclear weapons complex protective forces.
Sec. 3113. Report on retirement and dismantlement of nuclear warheads.
Sec. 3114. Assessment of security risks posed to nuclear weapons complex.
Sec. 3115. Department of Energy report on plan to strengthen and expand International Radiological Threat Reduction program.
Sec. 3116. Department of Energy report on plan to strengthen and expand Materials Protection, Control, and Accounting program.
Sec. 3117. Authority to use International Nuclear Materials Protection and Cooperation program funds outside the former Soviet Union.

Sec. 3118. Increased authority for ombudsman under Energy Employees Occupational Illness Compensation Program.

Subtitle A—National Security Programs Authorizations

SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRATION.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2008 for the activities of the National Nuclear Security Administration in carrying out programs necessary for national security in the amount of $9,536,833,000, to be allocated as follows:

(1) For weapons activities, $6,511,312,000.

(2) For defense nuclear nonproliferation activities, $1,817,646,000.

(3) For naval reactors, $808,219,000.

(4) For the Office of the Administrator for Nuclear Security, $399,656,000.

SEC. 3102. DEFENSE ENVIRONMENTAL CLEANUP.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2008 for defense environmental cleanup activities in carrying out programs necessary for national security in the amount of $5,363,905,000.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2008 for other defense

activities in carrying out programs necessary for national security in the amount of $763,974,000.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2008 for defense nuclear waste disposal for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $292,046,000.

Subtitle B—Program Authorizations, Restrictions, and Limitations

SEC. 3111. STUDY ON USING EXISTING PITS FOR THE RELIABLE REPLACEMENT WARHEAD PROGRAM.

(a) STUDY REQUIRED.—The Administrator for Nuclear Security, in consultation with the Nuclear Weapons Council, shall carry out a study analyzing the feasibility of using existing pits to remanufacture warheads for the Reliable Replacement Warhead (RRW) program.

(b) REPORT.—

(1) IN GENERAL.—Not later than February 1, 2008, the Administrator shall submit to the congressional defense committees a report on the results of the study. The report shall be in unclassified form, but may include a classified annex.

(2) MATTERS INCLUDED.—The report shall contain the assessment of the Administrator of the results of the study, including—

(A) an assessment of—

(i) whether using existing pits to remanufacture warheads for the RRW program is technically feasible;

(ii) whether remanufacturing warheads with existing pits is more desirable than remanufacturing warheads with newly manufactured pits;

(iii) the number of existing pits suitable for such remanufacturing;

(iv) whether proceeding to remanufacture warheads with existing pits before remanufacturing warheads with newly manufactured pits is desirable; and

(v) the extent to which remanufacturing warheads with existing pits, as compared to remanufacturing warheads with newly manufactured pits, would reduce future requirements for new pit production, and how such use of existing pits would affect the schedule and scope for new pit production; and

(B) a comparison of the requirements for certifying—

(i) warheads remanufactured with existing pits;

(ii) warheads remanufactured with newly manufactured pits; and

(iii) warheads maintained by the Stockpile Life Extension Programs.

(c) DEFINITIONS.—For the purposes of this section, the terms "remanufacturing" and "remanufacture" mean the replacement of existing warheads with modern components that are designed to increase the reliability, safety, and surety of the warhead, but that do not alter the yield of the warhead or affect military characteristics of the warhead in any way.

(d) FUNDING.—Of the amounts made available pursuant to the authorization of appropriations in section 3101(a)(1), such funds as may be necessary shall be available to carry out this section.

SEC. 3112. NATIONAL NUCLEAR SECURITY ADMINISTRATION STUDY ON NUCLEAR WEAPONS COMPLEX PROTECTIVE FORCES.

(a) STUDY REQUIRED.—The Administrator for Nuclear Security shall carry out a study on the composition

of the workforce providing protective forces at the nuclear weapons complex.

(b) REPORT.—Not later than March 1, 2008, the Administrator for Nuclear Security shall submit to the congressional defense committees a report on the results of the study. The report shall include the following:

(1) An assessment of whether the incentives inherent in the use of contractors to provide protective forces increase or decrease the risk that such protective forces will be substandard.

(2) Assessments of the feasibility, costs, benefits, and implications of having protective forces at the nuclear weapons complex be provided by a workforce comprised—

(A) only of contractor employees;

(B) only of Federal employees;

(C) of both contractor employees and Federal employees; and

(D) in any other manner that the Administrator considers appropriate for assessment under this paragraph.

SEC. 3113. REPORT ON RETIREMENT AND DISMANTLEMENT OF NUCLEAR WARHEADS.

Not later than February 1, 2008, the Administrator for Nuclear Security, in consultation with the Nuclear

Weapons Council, shall submit to the congressional defense committees a report on the retirement and dismantlement of the nuclear warheads that are not part of the enduring stockpile but that have not yet been retired or dismantled. The report shall include the following:

(1) The existing plan and schedule for retiring and dismantling those warheads.

(2) An assessment of the capacity of the Pantex and Y-12 plants to accommodate an accelerated schedule for retiring and dismantling those warheads.

(3) An assessment of the feasibility of implementing such an accelerated schedule.

SEC. 3114. ASSESSMENT OF SECURITY RISKS POSED TO NUCLEAR WEAPONS COMPLEX.

(a) ASSESSMENTS REQUIRED.—The Administrator for Nuclear Security shall conduct an assessment of—

(1) the physical security risks, and the cyber security risks, posed to the nuclear weapons complex; and

(2) the security technologies employed within the nuclear weapons complex.

(b) REPORT REQUIRED.—Not later than February 1, 2008, the Administrator shall submit to the congressional defense committees a report on the assessments conducted under subsection (a). The report shall include—

(1) for each site within the nuclear weapons complex, a description of the security technologies employed at the site and, for each such technology, the age and maintenance status of the technology;

(2) a description of the methods used by the Department of Energy to establish priorities among investments in physical and cyber security programs and activities; and

(3) a multi-year plan for the lifecycle maintenance (and replacement) of the security technologies employed within the nuclear weapons complex.

SEC. 3115. DEPARTMENT OF ENERGY REPORT ON PLAN TO STRENGTHEN AND EXPAND INTERNATIONAL RADIOLOGICAL THREAT REDUCTION PROGRAM.

Not later than 60 days after the date of the enactment of this Act, the Secretary of Energy shall submit to Congress a report that sets forth a specific plan for strengthening and expanding the Department of Energy International Radiological Threat Reduction (IRTR) program within the Global Threat Reduction Initiative. The plan shall address concerns raised and recommendations made by the Government Accountability Office in its report of March 13, 2007, titled "Focusing on the Highest Priority Radiological Sources Could Improve DOE's Efforts to Secure Sources in

Foreign Countries", and shall specifically include actions to—

(1) improve the Department's coordination with the Department of State and the Nuclear Regulatory Commission;

(2) improve information-sharing between the Department and the International Atomic Energy Agency;

(3) with respect to hospitals and clinics containing radiological sources that receive security upgrades, give highest priority to those determined to be the highest risk;

(4) accelerate efforts to remove as many radioisotope thermoelectric generators (RTGs) in the Russian Federation as practicable;

(5) develop a long-term sustainability plan for security upgrades that includes, among other things, future resources required to implement such a plan; and

(6) develop a long-term operational plan that steadily increases funding for the IRTR program and ensures sufficient funding to identify, recover, and secure all vulnerable high-risk radiological sources worldwide as quickly and effectively as possible.

SEC. 3116. DEPARTMENT OF ENERGY REPORT ON PLAN TO STRENGTHEN AND EXPAND MATERIALS PROTECTION, CONTROL, AND ACCOUNTING PROGRAM.

Not later than 60 days after the date of the enactment of this Act, the Secretary of Energy shall submit to Congress a specific plan for strengthening and expanding the Department of Energy Materials Protection, Control, and Accounting (MPC&A) program. The plan shall address concerns raised and recommendations made by the Government Accountability Office in its report of February 2007, titled "Progress Made in Improving Security at Russian Nuclear Sites, but the Long-Term Sustainability of U.S. Funded Security Upgrades is Uncertain", and shall specifically include actions to—

(1) strengthen program management and the effectiveness of the Department's efforts to improve security at weapons-usable nuclear material and warhead sites in the Russian Federation and other countries by—

(A) revising the metrics used to measure MPC&A program progress to better reflect the level of security upgrade completion at buildings reported as "secure";

(B) actively working with Russia and other countries, in coordination with and with the

concurrence of the Secretary of State, to develop an access plan for each country; and

(C) developing a management information system to track the Department's progress in providing Russia with a sustainable MPC&A system by 2013; and

(2) develop a long-term operational plan that steadily increases funding for the MPC&A program, including for National Programs and Sustainability, and ensures sufficient funding to secure all weapons-usable nuclear material and warhead sites as quickly and effectively as possible.

SEC. 3117. AUTHORITY TO USE INTERNATIONAL NUCLEAR MATERIALS PROTECTION AND COOPERATION PROGRAM FUNDS OUTSIDE THE FORMER SOVIET UNION.

(a) MODIFICATION OF CERTIFICATION REQUIREMENT.—Section 3124 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136; 117 Stat. 1747) is amended in subsection (a)—

(1) by striking "the President may" and inserting "the Secretary of Energy may"; and

(2) by striking "if the President" and inserting "if the Secretary of Energy, with the concurrence of the Secretary of State,".

(b) REPEAL OF FUNDING LIMITATION.—Section 3124 of that Act is further amended by striking subsection (c).

(c) CONGRESSIONAL NOTICE REQUIREMENT.—Section 3124 of that Act is further amended in subsection (d)—

(1) in pararaph (1)—

(A) by striking "The President may not" and inserting "The Secretary of Energy may not"; and

(B) by striking "until the President" and inserting "until the Secretary of Energy";

(2) in paragraph (2)—

(A) by striking "Not later than 10 days after" and inserting "Not later than 15 days prior to";

(B) by striking "the President shall" and inserting "the Secretary of Energy shall"; and

(C) by striking "Congress" and inserting "the Committee on Armed Services and the Committee on Foreign Affairs of the House of Representatives and the Committee on Armed Services and Committee on Foreign Relations of the Senate"; and

(3) by adding at the end the following:

"(3) In the case of a situation that threatens human life or safety or where a delay would severely undermine

the national security of the United States, notification under paragraph (2) shall be made not later than 10 days after obligating funds under the authority in subsection (a) for a project or activity.''.

SEC. 3118. INCREASED AUTHORITY FOR OMBUDSMAN UNDER ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM.

Section 3686 of the Energy Employees Occupational Illness Compensation Program Act of 2000 (42 U.S.C. 7385s-15) is amended—

(1) by amending subsection (c) to read as follows:

''(c) DUTIES.—The duties of the Office shall be as follows:

''(1) To assist individuals in making claims under this title.

''(2) To provide information on the benefits available under this title and on the requirements and procedures applicable to the provision of such benefits.

''(3) To act as an advocate on behalf of individuals seeking benefits under this title.

''(4) To make recommendations to the Secretary regarding the location of centers (to be known as 'resource centers') for the acceptance and development of claims for benefits under this title.

"(5) To carry out such other duties as the Secretary shall specify."; and

(2) by striking subsection (g) (establishing a sunset date) and inserting the following:

"(g) CONTRACT AUTHORITY.—The Ombudsman shall have authority to contract for the services of individuals with expertise in relevant disciplines, including health physics, medicine, industrial hygiene, and toxicology, as the Ombudsman may from time to time consider appropriate.

"(h) FUNDING.—Effective for appropriations made for fiscal year 2008 and each fiscal year thereafter, and notwithstanding section 3684 or any other provision of this title, or section 151 of Division B of the Miscellaneous Appropriations Act, 2001 (as enacted into law by the Consolidated Appropriations Act, 2001 (Public Law 106-554; 114 Stat. 2763A-251)), this section shall not be carried out with direct spending under this title. Instead, no funds shall be obligated for the purpose of carrying out this section except funds appropriated specifically for the purpose of carrying out this section in appropriations Acts enacted after the date of the enactment of this subsection. There are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2008 and each fiscal year thereafter.".

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 2008, $22,499,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Sec. 3301. Authorized uses of National Defense Stockpile funds.
Sec. 3302. Revisions to required receipt objectives for previously authorized disposals from the national defense stockpile.

SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2008, the National Defense Stockpile Manager may obligate up to $44,825,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section, including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3302. REVISIONS TO REQUIRED RECEIPT OBJECTIVES FOR PREVIOUSLY AUTHORIZED DISPOSALS FROM THE NATIONAL DEFENSE STOCKPILE.

(a) FISCAL YEAR 2000 DISPOSAL AUTHORITY.—Section 3402(b) of the National Defense Authorization Act for Fiscal Year 2000 (50 U.S.C. 98d note), as amended by section 3302 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136; 117 Stat. 1788) and section 3302 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163; 119 Stat. 3545), is amended by striking "$600,000,000 before" in paragraph (5) and inserting "$730,000,000 by".

(b) FISCAL YEAR 1999 DISPOSAL AUTHORITY.—Section 3303(a) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261; 50 U.S.C. 98d note), as amended by section 3302 of the Ronald W. Reagan National Defense Authorization Act for Year 2005 (Public Law 108-375; 118 Stat. 2193), section 3302 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163; 119 Stat. 3545), and section 3302(a) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364; 120 Stat. 2513), is amended by striking "$1,016,000,000 by the end of fiscal year 2014" in paragraph (7) and inserting "$1,469,102,000 by the end of fiscal year 2015".

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Authorization of appropriations.

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

(a) AMOUNT.—There are hereby authorized to be appropriated to the Secretary of Energy $17,301,000 for fiscal year 2008 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves.

(b) PERIOD OF AVAILABILITY.—Funds appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available until expended.

TITLE XXXV—MARITIME ADMINISTRATION

Sec. 3501. Authorization of appropriations for fiscal year 2008.
Sec. 3502. Temporary authority to transfer obsolete combatant vessels to Navy for disposal.

SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2008.

Funds are hereby authorized to be appropriated for fiscal year 2008, to be available without fiscal year limitation if so provided in appropriations Acts, for the use of the Department of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, $115,276,000, of which—

(A) $13,850,000 shall remain available until expended for capital improvements at the United States Merchant Marine Academy; and

(B) $8,218,000 shall remain available until expended for maintenance and repair of school ships at the State Maritime Academies.

(2) For expenses to dispose of obsolete vessels in the National Defense Reserve Fleet, including provision of assistance under section 7 of Public Law 92–402, $20,000,000.

SEC. 3502. TEMPORARY AUTHORITY TO TRANSFER OBSOLETE COMBATANT VESSELS TO NAVY FOR DISPOSAL.

The Secretary of Transportation shall, subject to the availability of appropriations and consistent with section 1535 of title 31, United States Code, popularly known as the Economy Act, transfer to the Secretary of the Navy during fiscal year 2008 for disposal by the Navy, no fewer than 3 combatant vessels in the nonretention fleet of the Maritime Administration that are acceptable to the Secretary of the Navy.

Amend the title so as to read: ''A bill to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.''.

Union Calendar No. 86

110TH CONGRESS
1ST SESSION

H. R. 1585

[Report No. 110–146]

A BILL

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2008, and for other purposes.

MAY 11, 2007

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed