108TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
108–106

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2004

R E P O R T

OF THE

COMMITTEE ON ARMED SERVICES HOUSE OF REPRESENTATIVES

ON

H.R. 1588

together with

ADDITIONAL, DISSENTING, AND SUPPLEMENTAL VIEWS

[Including cost estimate of the Congressional Budget Office]

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108TH CONGRESS, 1st Session | HOUSE OF REPRESENTATIVES | REPORT 108–106

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2004

MAY 16, 2003.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HUNTER, from the Committee on Armed Services, submitted the following

R E P O R T

together with

ADDITIONAL, DISSENTING, AND SUPPLEMENTAL VIEWS

[To accompany H.R. 1588]

[Including cost estimate of the Congressional Budget Office]

The Committee on Armed Services, to whom was referred the bill (H.R. 1588) to authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2004, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

The amendment strikes all after the enacting clause of the bill and inserts a new text which appears in italic type in the reported bill.

The title of the bill is amended to reflect the amendment to the text of the bill.

EXPLANATION OF THE COMMITTEE AMENDMENTS

The committee adopted an amendment in the nature of a substitute during the consideration of H.R. 1588. The title of the bill is amended to reflect the amendment to the text of the bill. The remainder of the report discusses the bill, as amended.

PURPOSE

The bill would—(1) Authorize appropriations for fiscal year 2004 for procurement and for research, development, test and evaluation (RDT&E); (2) Authorize appropriations for fiscal year 2004 for operation and maintenance (O&M) and for working capital funds; (3) Authorize for fiscal year 2004: (a) the personnel strength for each active duty component of the military departments; (b) the personnel strength for the Selected Reserve for each reserve component of the armed forces; (c) the military training student loads for each of the active and reserve components of the military departments; (4) Modify various elements of compensation for military personnel and impose certain requirements and limitations on personnel actions in the defense establishment; (5) Authorize appropriations for fiscal year 2004 for military construction and family housing; (6) Authorize appropriations for fiscal year 2004 for the Department of Energy national security programs; (7) Modify provisions related to the National Defense Stockpile; and (8) Authorize appropriations for fiscal year 2004 for the Maritime Administration.

RELATIONSHIP OF AUTHORIZATION TO APPROPRIATIONS

The bill does not generally provide budget authority. The bill authorizes appropriations. Subsequent appropriation acts provide budget authority. The bill addresses the following categories in the Department of Defense budget: procurement; research, development, test and evaluation; operation and maintenance; working capital funds, military personnel; and military construction and family housing. The bill also addresses Department of Energy National Security Programs and the Maritime Administration.

Active duty and reserve personnel strengths authorized in this bill and legislation affecting compensation for military personnel determine the remaining appropriation requirements of the Department of Defense. However, this bill does not provide authorization of specific dollar amounts for personnel.

SUMMARY OF AUTHORIZATION IN THE BILL

The President requested budget authority of $399.7 billion for the national defense budget function for fiscal year 2004. Of this amount, the President requested $379.6 billion for the Department of Defense, including $9.1 billion for military construction and family housing. The defense budget request for fiscal year 2004 also included $17.3 billion for Department of Energy national security programs and the Defense Nuclear Facilities Safety Board.

The committee recommends an overall level of $400.5 billion in budget authority. This amount represents an increase of approximately $17.7 billion from the amount authorized for appropriation by the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314).

SUMMARY TABLE OF AUTHORIZATIONS

The following table provides a summary of the amounts requested and that would be authorized for appropriation in the bill (in the column labeled "Budget Authority Implication of Committee

Recommendation") and the committee's estimate of how the committee's recommendations relate to the budget totals for the national defense function. For purposes of estimating the budget authority implications of committee action, the table reflects the numbers contained in the President's budget for proposals not in the committee's legislative jurisdiction.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATION FOR FY 2004
(Dollars in Thousands)

Account Title	FY 2004 Authorization Request	FY 2004 Budget Authority Request	Committee Change From Request	FY 2004 Committee Recommendation	BA Implication of Committee Recommendation
PROCUREMENT					
Aircraft Procurement, Army	2,128,485	2,128,485	66,100	2,194,585	2,194,585
Missile Procurement, Army	1,459,462	1,459,462	135,200	1,594,662	1,594,662
Procurement of Weapons and Tracked Combat Vehicles, Army	1,640,704	1,640,704	556,700	2,197,404	2,197,404
Procurement of Ammunition, Army	1,309,966	1,309,966	119,000	1,428,966	1,428,966
Other Procurement, Army	4,216,854	4,216,854	104,642	4,321,496	4,321,496
Aircraft Procurement, Navy	8,788,148	8,788,148	261,900	9,050,048	9,050,048
Weapons Procurement, Navy	1,991,821	1,991,821	538,000	2,529,821	2,529,821
Procurement of Ammunition, Navy and Marine Corps	922,355	922,355	41,000	963,355	963,355
Shipbuilding and Conversion, Navy	11,438,984	11,438,984	33,400	11,472,384	11,472,384
Other Procurement, Navy	4,679,443	4,679,443	(64,551)	4,614,892	4,614,892
Procurement, Marine Corps	1,070,999	1,070,999	83,300	1,154,299	1,154,299
Aircraft Procurement, Air Force	12,079,360	12,079,360	525,091	12,604,451	12,604,451
Missile Procurement, Air Force	4,393,039	4,393,039	(45,000)	4,348,039	4,348,039
Procurement of Ammunition, Air Force	1,284,725	1,284,725	40,000	1,324,725	1,324,725
Other Procurement, Air Force	11,583,659	11,583,659	(207,600)	11,376,059	11,376,059
Procurement, Defense-wide	3,665,506	3,665,506	69,315	3,734,821	3,734,821
Procurement, National Guard & Reserve Equipment	-				
Defense Production Act Purchases		67,516			67,516
Total Procurement	**72,653,510**	**72,721,026**	**2,256,497**	**74,910,007**	**74,977,523**
RESEARCH, DEVELOPMENT, TEST & EVALUATION					
Research, Development, Test & Evaluation, Army	9,122,825	9,122,825	209,557	9,332,382	9,349,382
Research, Development, Test & Evaluation, Navy	14,106,653	14,106,653	236,707	14,343,360	14,343,360

SUMMARY OF NATIONAL DEFENSE AUTHORIZATION FOR FY 2004
(Dollars in Thousands)

Account Title	FY 2004 Authorization Request	FY 2004 Budget Authority Request	Committee Change From Request	FY 2004 Committee Recommendation	BA Implication of Committee Recommendation
Research, Development, Test & Evaluation, Air Force	20,336,258	20,336,258	212,609	20,548,867	20,548,867
Research, Development, Test & Evaluation, Defense-wide	17,974,257	17,974,257	200,128	18,174,385	18,174,385
Operational Test & Evaluation, Defense	286,661	286,661		286,661	286,661
Total Research, Development, Test & Evaluation	**61,826,654**	**61,826,654**	**859,001**	**62,685,655**	**62,702,655**
OPERATION AND MAINTENANCE & OTHER PROGRAMS					
Operation and Maintenance					
Operation and Maintenance, Army	24,965,342	24,965,342	85,245	25,050,587	25,050,587
Operation and Maintenance, Navy	28,287,690	28,287,690	(385,900)	27,901,790	27,901,790
Operation and Maintenance, Marine Corps	3,406,656	3,406,656	111,100	3,517,756	3,517,756
Operation and Maintenance, Air Force	27,793,931	27,793,931	(2,359,471)	25,434,460	25,434,460
Operation and Maintenance, Defense-wide	16,570,847	16,570,847	(436,800)	16,134,047	16,134,047
Operation and Maintenance, Army Reserve	1,952,009	1,952,009	2,000	1,954,009	1,954,009
Operation and Maintenance, Navy Reserve	1,171,921	1,171,921		1,171,921	1,171,921
Operation and Maintenance, Marine Corps Reserve	173,952	173,952	25,500	199,452	199,452
Operation and Maintenance, Air Force Reserve	2,179,188	2,179,188	(9,000)	2,170,188	2,170,188
Operation and Maintenance, Army National Guard	4,211,331	4,211,331	(17,000)	4,194,331	4,194,331
Operation and Maintenance, Air National Guard	4,402,646	4,402,646	2,000	4,404,646	4,404,646
United States Court of Appeals for the Armed Forces	10,333	10,333		10,333	10,333
Environmental Restoration, Army	396,018	396,018		396,018	396,018
Environmental Restoration, Navy	256,153	256,153		256,153	256,153
Environmental Restoration, Air Force	384,307	384,307		384,307	384,307
Environmental Restoration, Defense-Wide	24,081	24,081		24,081	24,081
Environmental Restoration, Formerly Used Defense Sites	212,619	212,619		212,619	212,619

SUMMARY OF NATIONAL DEFENSE AUTHORIZATION FOR FY 2004
(Dollars in Thousands)

Account Title	FY 2004 Authorization Request	FY 2004 Budget Authority Request	Committee Change From Request	FY 2004 Committee Recommendation	BA Implication of Committee Recommendation
Cooperative Threat Reduction	450,800	450,800		450,800	450,800
Support for International Sporting Competitions, Defense					
Overseas Military Investment Recovery		1,331			1,331
Disposal of DoD Real Property		7,303			16,303
Lease of DoD Real Property		14,770			14,770
Payment to Kaho' Olawe Island Fund					
Overseas Humanitarian, Disaster, & Civic Aid	59,000	59,000		59,000	59,000
National Science Center, Army		5			5
Burdensharing		210,000			500,000
Rocky Mountain Arsenal		10,210			6,210
United States Industrial Base Capabilities Fund			100,000	100,000	100,000
Overseas Contingency Operations Transfer Fund	50,000	50,000	(50,000)		
Defense Cooperation					
Subtotal Operation and Maintenance	**116,958,824**	**117,202,443**	(2,932,326)	**114,026,498**	**114,565,117**
Other Programs					
Drug Interdiction and Counter-drug Activities, Defense	817,371	817,371		817,371	817,371
Defense Health Program	15,270,509	15,270,509	46,554	15,317,063	15,317,063
Office of the Inspector General	162,449	162,449		162,449	162,449
Chemical Agents and Munitions Destruction, Defense	1,650,076	1,650,076	(69,815)	1,580,261	1,580,261
Subtotal Other Programs	**17,900,405**	**17,900,405**	(23,261)	**17,877,144**	**17,877,144**
Total Operation and Maintenance & Other Programs	**134,859,229**	**135,102,848**	(2,955,587)	**131,903,642**	**132,442,261**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATION FOR FY 2004
(Dollars in Thousands)

Account Title	FY 2004 Authorization Request	FY 2004 Budget Authority Request	Committee Change From Request	FY 2004 Committee Recommendation	BA Implication of Committee Recommendation
REVOLVING AND MANAGEMENT FUNDS					
Defense Working Capital Funds	1,721,507	1,721,507		1,721,507	1,721,507
National Defense Sealift Fund	1,062,762	1,062,762	40,000	1,102,762	1,102,762
National Defense Stockpile Transaction Fund		(72,558)			(99,558)
Armed Forces Retirement Home Fund	65,279			65,279	
Other (Defense Health Program)	45,000	45,000	(45,000)		
Total Revolving and Management Funds	**2,894,548**	**2,756,711**	(5,000)	**2,889,548**	**2,724,711**
MILITARY PERSONNEL					
Total Military Personnel	98,956,065	98,956,065	(17,554)	98,938,511	98,938,511
MILITARY CONSTRUCTION					
Military Construction, Army	1,678,210	1,536,010	(73,730)	1,604,480	1,462,280
Military Construction, Navy	1,147,537	1,132,858	104,409	1,251,946	1,237,267
Military Construction, Air Force	830,671	830,671	155,405	986,076	986,076
Military Construction, Defense-wide	655,381	694,301	147,168	802,549	841,469
Military Construction, Army National Guard	168,298	168,298	85,490	253,788	253,788
Military Construction, Air National Guard	60,430	60,430	62,978	123,408	123,408
Military Construction, Army Reserve	68,478	68,478	21,362	89,840	89,840
Military Construction, Naval Reserve	28,032	28,032	17,730	45,762	45,762
Military Construction, Air Force Reserve	44,312	44,312	16,831	61,143	61,143
Military Construction, Foreign Currency Fluctuations					55,000
Base Realignment and Closure IV	370,427	370,427		370,427	370,427

SUMMARY OF NATIONAL DEFENSE AUTHORIZATION FOR FY 2004
(Dollars in Thousands)

Account Title	FY 2004 Authorization Request	FY 2004 Budget Authority Request	Committee Change From Request	FY 2004 Committee Recommendation	BA Implication of Committee Recommendation
NATO Security Investment Program	169,300	169,300		169,300	169,300
Total Military Construction	**5,221,076**	**5,103,117**	**537,643**	**5,758,719**	**5,695,760**
FAMILY HOUSING					
Family Housing Construction, Army	409,191	356,891		409,191	356,891
Family Housing Support, Army	1,043,026	1,043,026		1,043,026	1,043,026
Family Housing Construction, Navy and Marine Corps	184,193	184,193		184,193	184,193
Family Housing Support, Navy and Marine Corps	852,778	852,778		852,778	852,778
Family Housing Construction, Air Force	657,065	637,718		657,065	637,718
Family Housing Support, Air Force	834,468	834,468		834,468	834,468
Family Housing Construction, Defense-wide	350	350		350	350
Family Housing Support, Defense-wide	49,440	49,440		49,440	49,440
Homeowners Assistance Fund					
DoD Family Housing Improvement Fund	300	300		300	300
Total Family Housing	**4,030,811**	**3,959,164**		**4,030,811**	**3,959,164**
Total Military Construction and Family Housing	**9,251,887**	**9,062,281**	**537,643**	**9,789,530**	**9,654,924**
OTHER DoD MILITARY					
Spending of Card Refunds					
General Transfer Authority [non-additive]					
National Security Education Trust Fund					
Other Trust Funds		253,439			271,439

SUMMARY OF NATIONAL DEFENSE AUTHORIZATION FOR FY 2004
(Dollars in Thousands)

Account Title	FY 2004 Authorization Request	FY 2004 Budget Authority Request	Committee Change From Request	FY 2004 Committee Recommendation	BA Implication of Committee Recommendation
Interfund Transfers					
Surcharge Collections					
Foreign Employee Separation Pay					
Voluntary Separation Incentive Trust Fund					
Sale of Material in National Defense Stockpile		(78,573)			(139,573)
Defense Vessel Transfer Program Account					
Kaho' Olawe Island Conveyance Fund					
Receipts from travel and purchase card refunds					44,000
Nonappropriated Fund BRAC Reserve Account					70,000
Offsetting Receipts and Other		(970,546)			(1,233,546)
Total Other DoD Military		**(795,680)**			**(987,680)**
TOTAL DEPARTMENT OF DEFENSE MILITARY (051)	**380,441,893**	**379,629,905**	**675,000**	**381,116,893**	**380,452,905**
ATOMIC ENERGY DEFENSE ACTIVITIES (053)					
Energy Supply	110,473	110,473		110,473	110,473
Weapons Activities	6,378,000	6,378,000	15,000	6,393,000	6,393,000
NNSA Defense Nuclear Nonproliferation	1,340,195	1,340,195	(27,500)	1,312,695	1,312,695
Naval Reactors	768,400	768,400		768,400	768,400
Office of the Administrator	347,980	347,980		347,980	347,980
Defense Facilities Closure Projects	5,814,635	5,814,635	9,500	5,824,135	5,824,135
Defense Environmental Management Privatization	995,179	995,179		995,179	995,179
Defense Nuclear Waste Disposal	430,000	430,000		430,000	430,000
Other Defense Activities	494,331	494,331	3,000	497,331	497,331
Cerro Grande Fire Activities Recession		(75,000)			(75,000)

SUMMARY OF NATIONAL DEFENSE AUTHORIZATION FOR FY 2004
(Dollars in Thousands)

Account Title	FY 2004 Authorization Request	FY 2004 Budget Authority Request	Committee Change From Request	FY 2004 Committee Recommendation	BA Implication of Committee Recommendation
Corps of Engineers - Civil Works		140,000			140,000
Department of Homeland Security		92,000			92,000
Defense Nuclear Facilities Safety Board	19,559	19,559		19,559	19,559
Energy Employees Illness Compensation Fund		385,000			425,000
Energy Employees Compensation - Administration		55,000			55,000
TOTAL ATOMIC ENERGY DEFENSE ACTIVITIES (053)	**16,698,752**	**17,295,752**		**16,698,752**	**17,335,752**
DEFENSE RELATED ACTIVITIES (054)					
Department of Education		8,000			8,000
Department of Energy					
Department of Homeland Security		1,575,000			1,575,000
Department of Justice		524,000			524,000
Radiation Exposure Compensation Trust Fund		107,000			107,000
Department of Transportation - MARAD Maritime Security Program		99,000			99,000
Intelligence Community Management Account		125,000			125,000
CIA Retirement & Disability		226,000			226,000
National Science Foundation - Antarctic research activities		68,000			68,000
Other Defense Civil Programs		28,000			28,000
TOTAL DEFENSE-RELATED ACTIVITIES (054)		**2,760,000**			**2,760,000**
TOTAL NATIONAL DEFENSE FUNCTION (050)	**397,140,645**	**399,685,657**	**675,000**	**397,815,645**	**400,548,657**

RATIONALE FOR THE COMMITTEE BILL

The fiscal year 2004 National Defense Authorization Act is the first defense authorization act prepared in the aftermath of Operation Iraqi Freedom. That victory, combined with the extraordinary defeat of the Taliban in Afghanistan, has placed the ongoing debate about the future of the U.S. armed forces in sharper focus.

Advocates of rapid transformation argue that Operation Enduring Freedom's unique combination of airpower and special operations forces, networked with advanced sensors and communication systems, constituted a new "transformational" model for waging warfare. The new model stresses speed and information over firepower and mass in conducting military operations. Many such advocates would reduce our current force structure as a means of freeing up resources to accelerate a transformation in the U.S. military to lighter, faster forces.

An alternative view points to the success of well-armored Army and Marine divisions in toppling Saddam Hussein's regime and the critical contributions of long-range conventional bombers to victory over Taliban and Al Qaeda forces in Afghanistan as evidence of our continued dependence on the existing force structure. This school of thought argues that transformation should be pursued at a more measured pace, lest it undermine the effectiveness of our current systems, which have proven their worth repeatedly in combat. The debate among defense analysts, both inside and outside the Department of Defense, presents the committee with an interesting dilemma. Outside forces urge Congress to adopt one position to the exclusion of the other.

At its core, the current debate revolves around the assumption and management of near- and long-term risk. Most analysts agree that the U.S. armed forces must change in order to meet the challenges of the 21st century. However, accelerating transformation by reducing current force structure to pay for future systems may undermine the readiness and capabilities of the forces we rely on today. This approach could endanger our current security if those forces develop vulnerabilities or are called on to perform missions for which they are no longer prepared. Thus, rapid transformation involves increased near-term risk. On the other hand, focusing on modernizing our current force structure at the expense of transformation creates long term risks if it precludes the military from adopting technologies or creating capabilities that improve its future effectiveness against adversaries developing asymmetric means of countering existing forces.

The committee believes that discussions of U.S. national security cannot, and must not, be reduced to such an oversimplified and unrealistic choice. Instead, the United States must strike a balance between: (1) modernizing and enhancing the combat forces that have demonstrated their lethality to America's adversaries and (2) developing transformational capabilities that ensure the United States military maintains its effectiveness advantages over all future adversaries. H.R. 1588, therefore, contains provisions that will invest in key transformational capabilities for the long term, while recommending increased spending on our currently deployed capabilities to ensure their continued battlefield dominance. Drawing on early lessons from the war in Afghanistan and Operation Iraqi

Freedom, H.R. 1588 authorizes incremental improvements to sustain current capabilities and force structure while investing in transformational technologies and initiatives.

Transformation

The Committee has a long and bipartisan history of supporting the development of transformational technologies and capabilities. The success of transformational systems, ranging from the enhanced intelligence, surveillance, and reconnaissance capabilities made possible by Unmanned Aerial Vehicles to the increased lethality of Precision Guided Munitions (PGMs) demonstrates the wisdom of that approach. Overall for fiscal year 2004, the committee recommends an increase of $663 million over the Administration's request for defense Science and Technology programs, which traditionally drive long-term improvements in U.S. military capability. The increases are spread across several categories, including strike systems, advanced munitions, sensors, and communications.

During Operation Desert Storm nine percent of all weapons dropped by the United States were PGMs. Conversely, PGMs constituted 67 percent of all weapons employed by the Air Force during Operation Iraqi Freedom, a clear indicator of their superior value to the U.S. military. Combined with an innovative campaign strategy and the best soldiers in the world, precision strike capabilities enabled the coalition during Operation Iraqi Freedom to achieve a broader and significantly more challenging objective with fewer forces, when compared to their Operation Desert Storm predecessors. Thus, the bill would add $376 million to the Administration's request for procurement of such successful transformational technologies as the Tactical Tomahawk cruise missile and $178 million for the Affordable Weapon System, a committee initiative to reduce the cost of PGMs through the development of more affordable military systems. Additionally, the committee recommends beginning research and development on new strike platforms; in particular it recommends $100 million to begin research and development work on a new deep strike bomber to complement or succeed the current fleet of B–1, B–2, and B–52 bombers. Such systems represent an investment in 21st deep strike capabilities and will help address basing problems highlighted during Operation Iraqi Freedom.

In addition to transformational delivery platforms and munitions, the committee recognizes the transformational value of advanced sensor, network, and positioning systems in their role as force multipliers. Therefore, the committee recommends approving the budget request for E–2 Hawkeye aircraft, and increasing funding by $132 million over the request for the EA–6B Prowler, by $27 million for the E–8C Joint Surveillance and Target Attack Radar System (JSTARS), by $10 million for surface combatant systems engineering to improve the development of an open architecture for the Aegis system and $17 million for a new Littoral Surveillance System. The committee also recommends authorizing the funds requested for the Global Hawk Unmanned Aerial Vehicle (UAV), an $18 million increase over the request for the Predator UAV, and a $20.9 million increase for advanced research and development for the Shadow 200 Tactical UAV. The committee also recommends

full funding for the Space-Based Radar, a program that could revolutionize our sensor capabilities and reduce the demands made on tactical surveillance systems in the long term. These systems are increasingly important high-demand, low-density systems that give U.S. military forces a decisive information advantage over their adversaries and should continue to be improved. To the degree that information technologies enable the long-term transformation of U.S. military forces, these funding levels will help enable the Department of Defense to continue transformation in the information age.

Just as the military services are creating new capabilities to deal with the security environment of the 21st century, the Administration requested authority to transform the very management structures and processes of the Department of Defense, many of which trace their heritage back to the lessons of World War II and the National Security Act of 1947. Given the radical changes in the international security environment, the committee believes it is vital to transform the way the Department of Defense operates. Consequently, after careful consideration and coordination with the other relevant committees of the House of Representatives, the committee recommends approving significant portions of the Administration's proposed "Defense Transformation for the 21st Century Act" as elements of the fiscal year 2004 national defense authorization act.

The committee recommends development of a modernized national security personnel system. In particular, in cooperation with the Committee on Government Reform and Oversight, it adopted provisions creating a more flexible merit-based pay system to attract and retain talented individuals in government service. It also recommends the establishment of an early retirement program and greater flexibility for the Secretary of Defense to hire experts with critical scientific, technical, or management skills at appropriate pay for a period of up to five years. Taken together, these provisions would help retain, protect, and support the current civilian workforce in the Department of Defense while giving the Secretary of Defense greater personnel flexibility to reward exceptional performance and address key skill shortfalls.

Taken together, these initiatives will enable the United States military to continue on the path of transformation and develop those capabilities needed to maintain, and extend, the U.S. military advantage over potential adversaries in the long term.

Modernizing the Existing Force

At the same time, the bill recognizes that the success of transformational capabilities in operations in Afghanistan and Iraq built upon the foundation of a broad range of existing capabilities to engage adversaries across the range of conflict. Current force structure and weapons platforms, some of which are nearly four decades old, were the backbone upon which new capabilities in precision, communications, and intelligence created their transformational impact. The war in Afghanistan, for example, became famous for its horse-riding special operations forces directing modern precision-guided munitions, delivered by forty-year-old B–52 bombers onto Taliban and Al Qaeda fighting positions. That chain of capabilities is only as strong as its weakest link, which may soon prove

to be the aging delivery platforms upon which we rely to deliver firepower around the world. In Afghanistan and Iraq, the B–52, B–1, and B–2 strategic bombers proved the value of long-range airpower able to operate independently of forward bases that may not be available in future conflicts. Similarly, in Operation Iraqi Freedom, the deployment of heavily armored ground forces demonstrated the seriousness of coalition intent, while their firepower, mobility, and protective capabilities were key in demonstrating to Saddam Hussein and his regime that resistance was futile. By moving about at will throughout Baghdad, the coalition deprived Saddam Hussein's regime of its control over the capital, contributing to its quick downfall.

Recognizing these realities, and that transformational technologies work when married to proven systems, the committee recommends several measures that will sustain and improve the lethality of our existing forces. In particular, the committee recommends provisions to preserve our existing deep-strike capabilities, which make fewer demands on forward operating bases. Therefore, the committee recommends an increase of $20.3 million to the administration's request for improvements in the B1–B Lancer in order to begin the regeneration process for 23 B1–Bs currently slated for retirement. This provision would enable the United States military to retain more than the 60 B1–Bs it currently plans to protect from retirement. Additionally, the committee recommends increasing funding for the B–2 Spirit bomber by $85.3 million to sustain its mission capability rates and invest in communications capabilities.

The committee is particularly concerned about redressing shortfalls in the improvement in our ground systems experienced over the last decade. In Iraq, heavy armor proved that the combination of mass, speed, and firepower remain decisive. Abrams tanks and Bradley Fighting Vehicles operating in Baghdad demonstrated the seriousness of American purpose while ensuring that all units were strong enough to deal with any type of resistance. As the President noted in a speech at the Lima, Ohio M–1 Abrams plant, "In the liberation of Iraq, we've applied powerful weapons, like the tank you build here, to strike our enemy with speed and precision. In the use of the Abrams tank we have got a vehicle that is the most safe vehicle for our fighting personnel, precise enough to protect innocent lives. . . . Throughout the campaign, our enemy learned that when Abrams tanks are on the battlefield, America means business." Thus, the committee believes it is vital to sustain this critical and unique capability and recommends an increase of $726.8 million for heavy forces modernization. Of these funds, the committee recommends $424 million for the M1A2 Abrams systems enhancement program, $258.8 million for M3A2 upgrades, and $44 million for combat support and service support improvements.

Finally, the committee continues to believe that military personnel are the U.S. armed forces' greatest asset. Therefore, it recommends an average increase of 4.1% in base pay for our men and women in uniform and placing housing allowances on a path to eliminate out-of-pocket expenses completely by fiscal year 2005. The committee also recommends supplemental subsistence allowances for military personnel assigned to areas with a high cost of living and extending active duty special pay and bonuses.

The committee also notes that our total force policies developed after the Vietnam war have combined with the global war on terror to make increasing demands on personnel and units located in the reserves and national guard. Therefore, the committee recommends increasing the budget request by $196.7 million for reserve component training and readiness and extending certain special pay and bonuses for reserve personnel through the end of calendar year 2004.

Collectively, these initiatives will maintain and enhance the military advantages that our current forces have over potential adversaries, ensuring that when the President and Congress contemplate sending the nation's young men and women into combat, those personnel will have the best equipment and training that the United States can provide.

Force Structure

During much of the last decade, the U.S. military was subjected to force structure reductions that have increasingly stressed it. At the same time, changes in the international security environment are making increased demands on the Department of Defense. As a result of ongoing peacekeeping operations in the Balkans and Sinai Peninsula, Cold War deployments in Korea and Europe, and the need to deploy and conduct operations in the global war on terror in places as diverse as Afghanistan and Iraq, U.S. military units find themselves facing an extraordinary operational tempo. For example, during the first quarter of fiscal year 2003, the U.S. Navy exceeded its planned number of steaming days by roughly 18 percent. While the U.S. Navy has performed magnificently under these conditions, they cannot be endured indefinitely. Other services are under similar stress.

While the committee retains full confidence that the men and women of the United States military will continue to perform their missions successfully and admirably, it is concerned that the increased demands made on individual units may make it more difficult for them to achieve their missions in the future. This creates risk for U.S. national security. In 1991, the Defense Department development the concept of a "base force" to guide our post-Cold War force structure. As the official history of the development of the base force notes, certain elements in the Department of Defense believed, "this force option provided the minimum force structure that the United States could adopt without incurring undue risk." The committee notes that the 1991 base force was slightly larger than our current force structure, and that in 1991 the United States was a country at peace, not in the midst of a global war on terror.

While transformation and modernization may reduce some strains, ultimately it will be necessary to explore changes in the current force structure in order to ensure the security of the American people. Therefore, the committee recommends two provisions that will factor into this process.

First, the committee recommends a provision that would establish the current force structure of the Army, Navy, and Air Force as a legislative minimum, just as Congress did for the Marine Corps. Given the growing demands on our current forces, uncertainty about the security environment, and uncertainty about the

success of certain transformational efforts, the committee believes that cutting force structure below current levels would create an unacceptable degree of risk to U.S. national security.

Second, the committee recommends a more aggressive look into the future in order to assess the force structure that will be needed in the new security environment. It endorsed a provision calling for a national military strategy to be prepared by the Chairman of the Joint Chiefs of Staff and the respective service chiefs. The national military strategy will help connect broad policy guidelines contained in the President's National Security Strategy and the Quadrennial Defense Review to more specific military capabilities, deployments, basing decisions, and force structure. Additionally, the committee recommends a measure that would connect future military forces to the Department of Defense's global infrastructure. The bill contains a provision that would specify the assumptions to be made during the Base Realignment and Closure (BRAC) process. The provision would direct the BRAC Commission to consider the need to surge U.S. capabilities over and above our current force structure and the possibility that it may become necessary to base our forces entirely in the United States when assessing DOD infrastructure within the BRAC process. The committee believes that doing so will ensure that the Department of Defense retains sufficient infrastructure to accommodate a larger force structure, should one prove necessary.

Conclusion

Some might argue that the United States cannot afford to both modernize its existing force structure while developing the transformational capabilities needed for the future. The committee believes that as a country at war with global terrorism, the United States can ill afford not to do both. In 1983, the United States spent roughly six percent of its gross domestic product on defense. In 2004, in the midst of a war on global terrorism that has already required it to eliminate threats from two nation-states, the United States is projected to spend roughly 3.4 percent of gross domestic product on defense. In that context, it is vital that defense budgets properly manage risks by funding the long-term transformation of the military forces critical to our future security while sustaining and modernizing those forces upon which our security rests today. H.R. 1588 does that.

HEARINGS

Committee consideration of the National Defense Authorization Act for Fiscal Year 2004 results from hearings that began on February 5, 2003 and that were completed on May 2, 2003. The full committee conducted 11 sessions. In addition, a total of 25 sessions were conducted by six different subcommittees on various titles of the bill.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATION

TITLE I—PROCUREMENT

OVERVIEW

The amended budget request for fiscal year 2004 contained $72,653.5 million for procurement. This represents a $1,315.8 million decrease from the amount authorized for fiscal year 2003.

The committee recommends authorization of $74,910.0 million, an increase of $2,256.5 million from the fiscal year 2004 request.

The committee recommendations for the fiscal year 2004 procurement program are identified in the table below. Major issues are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
AIRCRAFT PROCUREMENT, ARMY	0	2,128,485	0	66,100	0	166,100	0	(100,000)	0	2,194,585
MISSILE PROCUREMENT, ARMY	0	1,459,462	0	135,200	0	135,200	0	0	0	1,594,662
PROCUREMENT OF W&TCV, ARMY	0	1,640,704	0	556,700	0	696,700	0	(140,000)	0	2,197,404
PROCUREMENT OF AMMUNITION, ARMY	0	1,309,966	0	119,000	0	120,000	0	(1,000)	0	1,428,966
OTHER PROCUREMENT, ARMY	0	4,216,854	0	104,642	0	270,700	0	(166,058)	0	4,321,496
TOTAL ARMY	**0**	**10,755,471**	**0**	**981,642**	**0**	**1,388,700**	**0**	**(407,058)**	**0**	**11,737,113**
AIRCRAFT PROCUREMENT, NAVY	0	8,788,148	0	261,900	0	261,900	0	0	0	9,050,048
WEAPONS PROCUREMENT, NAVY	0	1,991,821	0	538,000	0	538,000	0	0	0	2,529,821
PROCUREMENT OF AMMUNITION, NAVY & MARINE CORPS	0	922,355	0	41,000	0	41,000	0	0	0	963,355
SHIPBUILDING & CONVERSION, NAVY	0	11,438,984	0	33,400	0	33,400	0	0	0	11,472,384
OTHER PROCUREMENT, NAVY	0	4,679,443	0	(64,551)	0	82,000	0	(146,551)	0	4,614,892
PROCUREMENT, MARINE CORPS	0	1,070,999	0	83,300	0	83,300	0	0	0	1,154,299
TOTAL NAVY	**0**	**28,891,750**	**0**	**893,049**	**0**	**1,039,600**	**0**	**(146,551)**	**0**	**29,784,799**
AIRCRAFT PROCUREMENT, AIR FORCE	0	12,079,360	0	525,091	0	696,091	0	(171,000)	0	12,604,451
PROCUREMENT OF AMMUNITION, AIR FORCE	0	1,284,725	0	40,000	0	40,000	0	0	0	1,324,725
MISSILE PROCUREMENT, AIR FORCE	0	4,393,039	0	(45,000)	0	0	0	(45,000)	0	4,348,039
OTHER PROCUREMENT, AIR FORCE	0	11,583,659	0	(207,600)	0	59,400	0	(267,000)	0	11,376,059
TOTAL AIR FORCE	**0**	**29,340,783**	**0**	**312,491**	**0**	**795,491**	**0**	**(483,000)**	**0**	**29,653,274**
PROCUREMENT, DEFENSE-WIDE	0	3,665,506	0	69,315	0	88,000	0	(18,685)	0	3,734,821
PROCUREMENT, DEFENSE PRODUCTION ACT	0	0	0	0	0	0	0	0	0	0
TOTAL DEFENSE-WIDE	**0**	**3,665,506**	**0**	**69,315**	**0**	**88,000**	**0**	**(18,685)**	**0**	**3,734,821**
GRAND TOTAL DEPARTMENT OF DEFENSE	**0**	**72,653,510**	**0**	**2,256,497**	**0**	**3,311,791**	**0**	**(1,055,294)**	**0**	**74,910,007**

AIRCRAFT PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2004 contained $2,128.5 million for Aircraft Procurement, Army. The committee recommends authorization of $2,194.6 million, an increase of $66.1 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Aircraft Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	AIRCRAFT PROCUREMENT, ARMY										
	AIRCRAFT										
	FIXED WING										
1	UTILITY F/W AIRCRAFT	-	-	1	7,800					1	7,800
	UC-35 aircraft					1	7,800				
	ROTARY										
2	UH-60 BLACKHAWK (MYP)	10	161,943	9	112,800					19	274,743
	UH-60Ls - additional 5 for ARNG					5	52,000				
	HH-60Ls - additional 4 for ARNG					4	60,800				
2	UH-60 BLACKHAWK (MYP)	-	(23,084)							-	(23,084)
3	UH-60 BLACKHAWK (MYP)	-	-							-	-
3	UH-60 BLACKHAWK (MYP)	-	-							-	-
3	UH-60 BLACKHAWK (MYP)	-	-							-	-
3	UH-60 BLACKHAWK (MYP)	-	-							-	-
3	UH-60 BLACKHAWK (MYP)	-	-							-	-
3	UH-60 BLACKHAWK (MYP)	-	-							-	-
3	UH-60 BLACKHAWK (MYP)	-	-							-	-
3	UH-60 BLACKHAWK (MYP)	-	16,585							-	16,585
3	UH-60 BLACKHAWK (MYP)	-	11,556							-	11,556
3	UH-60 BLACKHAWK (MYP)	-	-							-	-
4	HELICOPTER NEW TRAINING	-	-							-	-
	TOTAL AIRCRAFT		**167,000**		**120,600**		**120,600**		**-**		**287,600**
	MODIFICATION OF AIRCRAFT										
5	GUARDRAIL MODS (TIARA)	-	3,176							-	3,176
6	ARL MODS (TIARA)	-	5,707							-	5,707
7	AH-64 MODS	-	58,879		15,500					-	74,379
	AH-64 Bladefold Kits						15,500				
8	CH-47 CARGO HELICOPTER MODS	-	516,710		6,000					-	522,710
	Crashworthy Crew Seats						6,000				
8	CH-47 CARGO HELICOPTER MODS	-	(21,185)							-	(21,185)

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
9	CH-47 CARGO HELICOPTER MODS	-	-							-	-
9	CH-47 CARGO HELICOPTER MODS	-	-							-	-
9	CH-47 CARGO HELICOPTER MODS	-	20,515							-	20,515
9	CH-47 CARGO HELICOPTER MODS	-	-							-	-
10	UTILITY/CARGO AIRPLANE MODS	-	10,448							-	10,448
11	OH-58 MODS	-	477							-	477
12	AIRCRAFT LONG RANGE MODS	-	762							-	762
13	LONGBOW	-	792,177							-	792,177
13	LONGBOW	-	(29,713)							-	(29,713)
14	LONGBOW	-	-							-	-
14	LONGBOW	-	-							-	-
14	LONGBOW	-	14,204							-	14,204
15	UH-60 MODS	-	136,496		(100,000)					-	36,496
	Transfer to PE 23744A								(100,000)		
16	KIOWA WARRIOR	-	45,051		9,000					-	54,051
	COTS Helmet Mounted Display						9,000				
17	AIRBORNE AVIONICS	-	71,206							-	71,206
18	GATM ROLLUP	-	59,104							-	59,104
19	AIRBORNE DIGITIZATION	-	1,906							-	1,906
	TOTAL MODIFICATION OF AIRCRAFT		**1,685,920**		**(69,500)**		**30,500**		**(100,000)**		**1,616,420**
	SPARES AND REPAIR PARTS										
20	SPARE PARTS (AIR)	-	11,299							-	11,299
	TOTAL SPARES AND REPAIR PARTS		**11,299**		**-**		**-**		**-**		**11,299**
	SUPPORT EQUIPMENT AND FACILITIES										
	GROUND SUPPORT AVIONICS										
21	AIRCRAFT SURVIVABILITY EQUIPMENT	-	14,879							-	14,879
22	ASE INFRARED CM	-	75,713							-	75,713
	OTHER SUPPORT										
23	AIRBORNE COMMAND & CONTROL	-	26,594							-	26,594
24	AVIONICS SUPPORT EQUIPMENT	-	13,295		15,000					-	28,295

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	Additional Aviation Night Vision System Goggles						15,000				
25	COMMON GROUND EQUIPMENT	-	16,597							-	16,597
26	AIRCREW INTEGRATED SYSTEMS	-	28,894							-	28,894
27	AIR TRAFFIC CONTROL	-	59,963							-	59,963
28	INDUSTRIAL FACILITIES	-	1,203							-	1,203
29	LAUNCHER, 2.75 ROCKET	-	2,512							-	2,512
30	AIRBORNE COMMUNICATIONS	-	24,616							-	24,616
	TOTAL SUPPORT EQUIPMENT AND FACILITIES		**264,266**		**15,000**		**15,000**		**-**		**279,266**
	TOTAL AIRCRAFT PROCUREMENT, ARMY		**2,128,485**		**66,100**		**166,100**		**(100,000)**		**2,194,585**

Items of Special Interest

Kiowa warrior

The budget request contained $45.1 million for the procurement of Kiowa Warrior safety modifications, but included no funds to procure helmet-mounted displays for OH–58D Kiowa Warrior aircrew.

The committee understands that a commercial-off-the-shelf (COTS), daylight readable, see-through display, which can be mounted to exiting Army aircrew helmets is capable of being integrated into the OH–58D Kiowa Warrior. The committee believes this system would improve aircrew operational effectiveness and safety and provide a low-cost, aircraft sensor targeting capability.

The committee recommends $54.1 million for the Kiowa Warrior program, an increase of $9.0 million for procurement of COTS, daylight readable, see-through, helmet-mounted displays for Kiowa Warrior aircrew.

UH–60 blackhawk

The budget request contained $138.9 million for the procurement of 10 UH–60L Blackhawks for the Army, but no funds were requested for additional helicopters for the Army National Guard (ARNG).

The committee notes that the Army's ongoing deployments in both Operations Enduring Freedom and Iraqi Freedom have precluded the cascading of certain active component unit's aircraft to the ARNG, as directed by the Army's aviation modernization plan. Accordingly, the committee notes that the ARNG continues to have an outstanding requirement for additional Blackhawk helicopters.

The committee recommends $251.7 million, an increase of $52.0 million for 5 UH–60L utility variants, and $60.8 million for 4 HH–60L medical evacuation aircraft, for a total increase of $112.8 million, for additional ARNG Blackhawk helicopters.

UH–60 modifications

The budget request contained $136.5 million for UH–60 modifications, of which $113.5 million is for the UH–60M recapitalization and upgrade program.

The committee understands that the UH–60M upgrade program, which will incorporate airframe and engine power improvements, as well as a digitized cockpit for enhanced long-range precision navigation, command and control interoperability, and future worldwide air traffic management requirements, has experienced cost growth as a result of added requirements and the implementation of earned value management on the development program. The committee is concerned with cost growth for an upgrade program of an aircraft which has been in production for over 25 years and will closely monitor the progress of the restructured development program through fiscal year 2004.

The committee recommends a transfer of $100.0 million from UH–60 modifications to PE 23744A for continued development and procurement of additional prototype aircraft, in the hopes of mitigating the impact of the delay of fielding this upgrade to soldiers.

MISSILE PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2004 contained $1,459.5 million for Missile Procurement, Army. The committee recommends authorization of $1,594.7 million, an increase of $135.2 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Missile Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	MISSILE PROCUREMENT, ARMY										
	OTHER MISSILES										
	SURFACE-TO-AIR MISSILE SYSTEM										
1	PATRIOT SYSTEM SUMMARY	108	561,555	30	126,000					138	687,555
	PAC-3						126,000				
2	STINGER SYSTEM SUMMARY	-	2,942							-	2,942
3	AVENGER SYSTEM SUMMARY	-	-							-	-
4	SURFACE-LAUNCHED AMRAAM SYSTEM SUMMARY:	-	7,452							-	7,452
	AIR-TO-SURFACE MISSILE SYSTEM										
5	HELLFIRE SYS SUMMARY	-	33,061							-	33,061
5	HELLFIRE SYS SUMMARY	-	-							-	-
6	APKWS (ADVANCED PRECISION KILL WEAPON SYSTEM)	-	-							-	-
7	APKWS (ADVANCED PRECISION KILL WEAPON SYSTEM)	-	-							-	-
	ANTI-TANK/ASSAULT MISSILE SYSTEM										
8	JAVELIN (AAWS-M) SYSTEM SUMMARY	901	133,115							901	133,115
8	JAVELIN (AAWS-M) SYSTEM SUMMARY	-	-							-	-
9	JAVELIN (AAWS-M) SYSTEM SUMMARY	-	7,600							-	7,600
10	LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM	76	43,232							76	43,232
10	LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM	-	-							-	-
11	LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM	-	-							-	-
12	TOW 2 SYSTEM SUMMARY	200	10,010							200	10,010
12	TOW 2 SYSTEM SUMMARY	-	-							-	-
13	TOW 2 SYSTEM SUMMARY	-	12,946							-	12,946
13	TOW 2 SYSTEM SUMMARY	-	3,420							-	3,420
14	GUIDED MLRS ROCKET (GMLRS)	786	107,759							786	107,759
15	MLRS REDUCED RANGE PRACTICE ROCKETS (RRPR)	2,934	14,646							2,934	14,646
16	MLRS LAUNCHER SYSTEMS	-	40,155							-	40,155
17	HIMARS LAUNCHER	24	124,191							24	124,191
18	ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM	50	50,301							50	50,301
19	ATACMS BLKII SYSTEM SUMMARY	-	-							-	-
20	ATACMS PENETRATOR	-	-							-	-
	TOTAL OTHER MISSILES		**1,152,385**		**126,000**		**126,000**		**-**		**1,278,385**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	MODIFICATION OF MISSILES										
	MODIFICATIONS										
21	PATRIOT MODS	-	212,575							-	212,575
22	STINGER MODS	-	973							-	973
23	AVENGER MODS	-	-							-	-
24	ITAS/TOW MODS	-	15,707		9,200					-	24,907
	Improved Target Acquisition System Lithium Batteries						9,200				
25	MLRS MODS	-	19,918							-	19,918
26	HIMARS MODIFICATIONS: (NON AAO)	-	467							-	467
	TOTAL MODIFICATIONS OF MISSILES		**249,640**		**9,200**		**9,200**		**-**		**258,840**
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
27	SPARES AND REPAIR PARTS	-	50,542							-	50,542
	TOTAL SPARES AND REPAIR PARTS		**50,542**		**-**		**-**		**-**		**50,542**
	SUPPORT EQUIPMENT AND FACILITIES										
	SUPPORT EQUIPMENT AND FACILITIES										
28	AIR DEFENSE TARGETS	-	3,464							-	3,464
29	ITEMS LESS THAN $5.0M (MISSILES)	-	10							-	10
30	MISSILE DEMILITARIZATION	-	-							-	-
31	PRODUCTION BASE SUPPORT	-	3,421							-	3,421
	TOTAL SUPPORT EQUIPMENT AND FACILITIES		**6,895**		**-**		**-**		**-**		**6,895**
	TOTAL MISSILE PROCUREMENT, ARMY		**1,459,462**		**135,200**		**135,200**		**-**		**1,594,662**

Items of Special Interest

Patriot PAC–3

The budget request contained $561.6 million for Patriot PAC–3 procurement.

The committee is encouraged by the performance of Patriot PAC–3 in testing and actual operations. Therefore, the committee recommends $687.6 for the Patriot PAC–3 system, an increase of $126.0 million, of which $90.0 million is to be used for procurement of 30 additional PAC–3 missiles, and $36.0 million is to be used for upgraded radars and launch communication enhancements.

WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Overview

The budget request for fiscal year 2004 contained $1,640.7 million for Weapons and Tracked Combat Vehicles, Army. The committee recommends authorization of $2,197.4 million, an increase of $556.7 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Weapons and Tracked Combat Vehicles, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF W&TCV, ARMY										
	TRACKED COMBAT VEHICLES										
1	ABRAMS TRNG DEV MOD	-	6,252							-	6,252
2	BRADLEY BASE SUSTAINMENT	-	113,302		258,800					-	372,102
	Bradley A20DS-D+ for Counterattack Corps Modernization						258,800				
2	BRADLEY BASE SUSTAINMENT	-	-							-	-
3	BRADLEY BASE SUSTAINMENT	-	-							-	-
4	BRADLEY FVS TRAINING DEVICES (MOD)	-	3,397							-	3,397
5	ABRAMS TANK TRAINING DEVICES	-	-							-	-
6	STRYKER	301	955,027							301	955,027
7	FUTURE COMBAT SYSTEMS: (FCS)	-	-							-	-
	MODIFICATION OF TRACKED COMBAT VEHICLES										
8	CARRIER, MOD	-	-							-	-
9	FIST VEHICLE (MOD)	-	16,756							-	16,756
10	MOD OF IN-SVC EQUIP, FIST VEHICLE	-	676							-	676
11	BFVS SERIES (MOD)	-	23,126							-	23,126
12	HOWITZER, MED SP FT 155MM M109A6 (MOD)	-	36,092							-	36,092
13	FAASV PIP TO FLEET	-	10,981							-	10,981
14	IMPROVED RECOVERY VEHICLE (M88 MOD)	-	-							-	-
15	HEAVY ASSAULT BRIDGE (HAB) SYS (MOD)	-	-							-	-
16	ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD)	-	-							-	-
17	M1 ABRAMS TANK (MOD)	-	268,644		(108,000)					-	160,644
	LV100 Engine unable to enter procurement								(108,000)		
18	M1A1D RETROFIT	-	-							-	-
19	SYSTEM ENHANCEMENT PGM: SEP M1A2	-	-		424,000					-	424,000
	M1A2 SEP upgrades for Counterattack Corps Modernization						284,000				
	Reprioritized from M1 Abrams Tank Modifications						108,000				
	Reprioritized from Abrams Upgrade Program						32,000				
20	ABRAMS UPGRADE PROGRAM	-	92,942		(32,000)					-	60,942
	M1A1 AIM funds not required								(32,000)		
20	ABRAMS UPGRADE PROGRAM	-	-							-	-
21	ABRAMS UPGRADE PROGRAM	-	-							-	-

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	SUPPORT EQUIPMENT AND FACILITIES										
22	ITEMS LESS THAN $5.0M (TCV-WTCV)	-	489							-	489
23	PRODUCTION BASE SUPPORT (TCV-WTCV)	-	10,188							-	10,188
	TOTAL TRACKED COMBAT VEHICLES		**1,537,872**		**542,800**		**682,800**		**(140,000)**		**2,080,672**
	WEAPONS AND OTHER COMBAT VEHICLES										
24	ARMOR MACHINE GUN, 7.62MM M240 SERIES	1,480	16,559							1,480	16,559
25	MACHINE GUN, 5.56MM (SAW)	-	-		13,900					-	13,900
	Additional M249 Squad Automatic Weapons						7,000				
	Transfer from OPA-136 "Land Warrior"						6,900				
26	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	-	-							-	-
27	MORTAR SYSTEMS	59	10,102							59	10,102
28	M16 RIFLE	-	-							-	-
29	XM107, CAL. 50, SNIPER RIFLE	600	8,753							600	8,753
30	5.56 CARBINE M4	8,635	8,978							8,635	8,978
31	HOWITZER LT WT 155MM (T)	-	4,998							-	4,998
	MOD OF WEAPONS AND OTHER COMBAT VEHICLES										
32	MARK-19 MODIFICATIONS	-	3,845							-	3,845
33	M4 CARBINE MODS	-	6,660							-	6,660
34	SQUAD AUTOMATIC WEAPON (MOD)	-	5,096							-	5,096
35	MEDIUM MACHINE GUNS (MODS)	-	2,970							-	2,970
36	HOWITZER, TOWED, 155MM, M198 (MODS)	13	882							13	882
37	M119 MODIFICATIONS	-	-							-	-
38	M16 RIFLE MODS	-	2,369							-	2,369
39	MODIFICATIONS LESS THAN $5.0M (WOCV-WTCV)	-	2,220							-	2,220
	SUPPORT EQUIPMENT AND FACILITIES										
40	ITEMS LESS THAN $5.0M (WOCV-WTCV)	-	489							-	489
41	PRODUCTION BASE SUPPORT (WOCV-WTCV)	-	7,089							-	7,089
42	INDUSTRIAL PREPAREDNESS	-	2,675							-	2,675
43	SMALL ARMS (SOLDIER ENH PROG)	-	1,117							-	1,117
44	CLOSED ACCOUNT ADJUSTMENTS	-	-							-	-
	TOTAL WEAPONS AND OTHER COMBAT VEHICLES		**84,802**		**13,900**		**13,900**		**-**		**98,702**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	SPARE AND REPAIR PARTS										
45	SPARES AND REPAIR PARTS (WTCV)	-	18,030							-	18,030
	TOTAL SPARE AND REPAIR PARTS		**18,030**		**-**		**-**		**-**		**18,030**
	TOTAL PROCUREMENT OF W&TCV, ARMY		**1,640,704**		**556,700**		**696,700**		**(140,000)**		**2,197,404**

Items of Special Interest

Counterattack corps modernization

The budget request included $113.3 million for fielding M2"A3" Bradley Fighting Vehicle upgrades procured in prior fiscal years. The budget request also included no funds in the M1A2 System Enhancement Program (SEP) for upgrading M1A2 Abrams tanks to the M1A2 SEP tank variant. The budget request also included $268.6 million for M1 Abrams tank modifications, of which $154.4 million is for the procurement of the LV100 engine. However, both the M2 Bradley upgrade and M1A2 Abrams tank upgrade programs were terminated in the fiscal year 2004 budget request.

In light of the dominant role that heavy armored forces played in Operation Iraqi Freedom and their ability to employ rapid maneuver and lethality, as well as support infantry in urban combat, the committee is concerned that the Army has chosen to terminate its heavy armor digitized upgrades at two divisions. In prior years, and in its fiscal year 2003 budget, the Army originally planned to field a counterattack corps comprised of three and one third heavy armored, digitized divisions. However in the fiscal year 2004 budget request, the Army terminated its heavy armored force digital upgrades. The committee is extremely concerned with both the force structure and industrial implications that this new plan may have.

The committee understands that the Army was faced with a series of difficult choices in the construct of its fiscal year 2004 budget request in order to fund Future Combat Systems (FCS) and fulfill other current modernization goals. However, the committee is very concerned that the Army has now abandoned its counterattack corps digital upgrade initiative and not developed a transition plan for the heavy armor production industrial base before it determines what type of FCS ground vehicle technologies and production requirements are needed in order to both sustain its legacy force, which is planned to be maintained through at least 2030, and if required, also transition to be able to produce the next generation FCS ground vehicles.

The committee also understands that an armored cavalry regiment (ACR), the reconnaissance and scout "eyes and ears" of its counterattack corps, was originally scheduled to receive digital upgrades in prior year plans. Currently, this unit has approximately 130 analog M3A2 Bradley scout vehicles and 129 M1A2 Abrams tanks, which can be upgraded with improved digital technologies, such as a second generation forward looking infrared sensor, Force XXI Battle Command, Brigade and Below situational awareness system, and a zero-mile vehicle refurbishment. The committee understands that a M1A2 to M1A2 SEP upgrade unit cost would be $3.6 million per tank and the committee's recommended increase herein for SEP upgrades is based on that cost.

The committee notes that the current AGT–1500 engine in the Abrams tank is the highest operations and support (O&S) cost driver of the vehicle and represents approximately 60 percent of the O&S costs. The committee also notes that the replacement LV100 engine, once fully tested and integrated into the Abrams tank, is expected to result in a 20 percent improvement in fuel consumption and a 43 percent reduction of parts. While the committee is supportive of this program and understands its benefits, it notes

that the LV100 is not ready to enter into procurement because of technical delays due to power shortfalls, and therefore, recommends a decrease of $108.0 million from the Abrams Modification program for the procurement of LV100 engines and a transfer of these funds to the M1A2 SEP program for the procurement of 43 M1A2 Abrams SEP upgrades. Additionally, the committee notes $32.0 million for Abrams Integrated Management refurbishment within the Abrams Upgrade Program is not required if M1A2 SEP tank upgrades are continued and recommends a transfer of this amount to the M1A2 SEP program.

Additionally, the committee notes that $108.0 million for procurement of LV100 engines may become available depending on the outcome of engine reliability testing scheduled for the fourth quarter of fiscal year 2003. Also, the committee understands that up to $68.0 million for SEP program components of fiscal year 2003 funds has not been executed. In order to accelerate Abrams SEP tank upgrades, the committee strongly urges the Secretary of the Army to reprogram these funds if they are available to begin upgrades of 43 M1A2 Abrams tanks to the M1A2 Abrams SEP configuration in fiscal year 2003.

The committee recommends $372.1 million, an increase of $258.8 million, for Bradley M3A2 Operation Desert Storm "D+" upgrades, and, an increase of $424.0 million for M1A2 Abrams to M1A2 Abrams SEP tank upgrades, both for counterattack corps modernization and to maintain a warm heavy armor production industrial base. An increase of $44.0 million is also recommended within Other Procurement, Army, for combat support and combat service support equipment for counterattack corps modernization.

AMMUNITION PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2004 contained $1,310.0 million for Ammunition Procurement, Army. The committee recommends authorization of $1,429.0 million, an increase of $119.0 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Ammunition Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF AMMUNITION, ARMY										
	SMALL/MEDIUM CAL AMMUNITION										
1	CTG, 5.56MM, ALL TYPES	-	183,731							-	183,731
2	CTG, 7.62MM, ALL TYPES	-	65,414							-	65,414
3	CTG, 9MM, ALL TYPES	-	5,557							-	5,557
4	CTG, .50 CAL, ALL TYPES	-	60,484							-	60,484
5	CTG, 20MM, ALL TYPES	-	-							-	-
6	CTG, 25MM, ALL TYPES	-	8,812		25,000					-	33,812
	M919 Armor Piercing round						25,000				
7	CTG, 30MM, ALL TYPES	-	12,941							-	12,941
8	CTG, 40MM, ALL TYPES	-	126,994							-	126,994
	MORTAR AMMUNITION										
9	60MM MORTAR, ALL TYPES	-	45,408		(1,000)					-	44,408
	M769 Full Range Practice round - no production requirement								(1,000)		
10	81MM MORTAR, ALL TYPES	-	14,104							-	14,104
11	CTG, MORTAR, 120MM, ALL TYPES	-	53,621		12,000					-	65,621
	M930A1 Illumination round						5,000				
	M931 Full Range Practice round						2,000				
	M934A1 HE round						5,000				
	TANK AMMUNITION										
12	CTG TANK 105MM: ALL TYPES	-	20,607							-	20,607
13	120MM TANK TRAINING, ALL TYPES	-	134,270							-	134,270
14	CTG, TANK, 120MM TACTICAL, ALL TYPES	-	42,408							-	42,408
	ARTILLERY AMMUNITION										
15	CTG, ARTY, 75MM: ALL TYPES	-	34							-	34
16	CTG, ARTY, 105MM: ALL TYPES	-	30,151		4,000					-	34,151
	M314 Illumination cartridge						4,000				
17	CTG, ARTY, 155MM, ALL TYPES	-	77,781							-	77,781
18	REMOTE AREA DENIAL ARTILLERY MUNITION (RADAM)	-	-							-	-
19	MODULAR ARTILLERY CHARGE SYSTEM (MACS), ALL T	-	78,949		20,000		20,000			-	98,949
	ARTILLERY FUZES										
20	ARTILLERY FUZES, ALL TYPES	-	47,400							-	47,400

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	MINES										
21	MINE, TRAINING, ALL TYPES	-	-							-	-
22	MINE AT VOLCANO,: ALL TYPES	-	-							-	-
23	MINE, CLEARING CHARGE, ALL TYPES	-	14,564							-	14,564
24	WIDE AREA MUNITIONS (WAM), ALL TYPES	-	-							-	-
25	ANTIPERSONNEL LANDMINE ALTERNATIVES	-	-							-	-
	ROCKETS										
26	SHOULDER FIRED ROCKETS, ALL TYPES	-	13,836							-	13,836
27	ROCKET, HYDRA 70, ALL TYPES	-	21,981		11,000		11,000			-	32,981
	OTHER AMMUNITION										
28	DEMOLITION MUNITIONS, ALL TYPES	-	24,959		4,000					-	28,959
	Modernization Demolition Initiators						4,000				
29	GRENADES, ALL TYPES	-	27,010							-	27,010
30	SIGNALS, ALL TYPES	-	8,999							-	8,999
31	SIMULATORS, ALL TYPES	-	9,035							-	9,035
	MISCELLANEOUS										
32	AMMO COMPONENTS, ALL TYPES	-	10,529							-	10,529
33	NON-LETHAL AMMUNITION, ALL TYPES	-	-							-	-
34	CAD/PAD ALL TYPES	-	4,808							-	4,808
35	ITEMS LESS THAN $5 MILLION	-	7,697							-	7,697
36	AMMUNITION PECULIAR EQUIPMENT	-	7,415							-	7,415
37	FIRST DESTINATION TRANSPORTATION (AMMO)	-	11,868							-	11,868
38	CLOSEOUT LIABILITIES	-	98							-	98
	TOTAL AMMUNITION		**1,171,465**		**75,000**		**76,000**		**(1,000)**		**1,246,465**
	AMMUNITION PRODUCTION BASE SUPPORT										
39	PROVISION OF INDUSTRIAL FACILITIES	-	33,570		44,000					-	77,570
	Flexible LAP for Modern Munitions						15,000				
	Small Caliber Production Line Upgrades						24,000				
	Medium Caliber Links Manufacturing Die Sets						5,000				
40	LAYAWAY OF INDUSTRIAL FACILITIES	-	13,020							-	13,020
41	MAINTENANCE OF INACTIVE FACILITIES	-	9,664							-	9,664

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
42	CONVENTIONAL MUNITIONS DEMILITARIZATION	-	77,592							-	77,592
43	ARMS INITIATIVE	-	4,655							-	4,655
	TOTAL AMMUNITION PRODUCTION BASE SUPPORT		**138,501**		**44,000**		**44,000**		**-**		**182,501**
	TOTAL PROCUREMENT OF AMMUNITION, ARMY		**1,309,966**		**119,000**		**120,000**		**(1,000)**		**1,428,966**

Items of Special Interest

Army ammunition procurement

The budget request contained $1,310.0 million for procurement of ammunition and production base support. The committee recommends $1,429.0 million, an increase of $119.0 million, for the following types of ammunition programs, of which ammunition production is among the top unfunded requirements identified by the Army Chief of Staff in fiscal year 2004:

[In millions of dollars]

Small/Medium Caliber Ammunition:	
CTG 25mm, APFSDS–T M919	25.0
Mortar Ammunition:	
CTG 60mm Full Range Practice, M769	(1.0)
CTG 120mm M930A1 Illum	5.0
CTG 120mm M931 Full Range Practice	2.0
CTG 120mm M934A1 HE	5.0
Artillery Ammunition:	
Cartridge, Artillery 105mm Illum M314	4.0
Modular Artillery Charge System	20.0
Rockets:	
HYDRA–70, All Types	11.0
Demolition Munitions, All Types:	
Modernization Demolition Initiators	4.0
Production Base Support:	
Flexible LAP for modern munitions	15.0
Small Caliber production line upgrades	24.0
Medium Caliber Links manf. die sets	5.0

Joint ammunition production base upgrades and capacity

The budget request contained $138.5 million for ammunition production base support, of which $33.6 million is for the provision of industrial facilities. However, no funds were requested for flexible load, assemble, and pack (LAP) upgrades for modern munitions or small and medium caliber production line upgrades.

In the committee report on H.R. 4546 (H. Rept. 107–436), the committee directed the Secretary of the Army to provide a report to the congressional defense committees by January 15, 2003, which would outline the conventional ammunition industrial base requirements, including LAP capacity, to fulfill the ammunition requirements for the Department of Defense's new capabilities-based strategy and Army Chief of Staff unfunded requirements. The service secretary requested an extension on February 25, 2003, for submission of the report to the congressional defense committees because the strategy needed to be briefed to the Office of the Secretary of Defense prior to its submission to the congressional defense committees. The committee did not receive the report prior to its action on the fiscal year 2004 budget request.

Absent this information, the committee firmly believes that the Department of Defense has not adequately funded or addressed the requirements for production line upgrades to the nation's ammunition production industrial base. Further, the committee believes that these upgrades are required, to not only update World War II-era production lines, but are also needed to fulfill the increased production requirements of the growing shortfalls in war reserve and training ammunition, which have occurred from increased ammunition use in the war on terrorism. These increased requirements span the spectrum, from small to large caliber conventional

ammunition, as well as conventional bombs and other explosive materials. The increased ammunition use rate, combined with the atrophy of the ammunition production industrial base, which occurred as a result of the reduction of procurement funds during the 1990's, has resulted in a limited production capacity in the United States, as well as an increased reliance on foreign sources for ammunition for U.S. soldiers, sailors, airmen, and marines. The committee is disturbed with these trends.

Absent the Secretary's input, which would have aided the committee in determining where additional resources could have been properly applied, the committee recommends $182.5 million for production base support, an increase of $44.0 million for the following ammunition production base upgrades:

(1) $15.0 million for flexible LAP for modern munitions;

(2) $24.0 million for small caliber production line upgrades; and

(3) $5.0 million for medium caliber links manufacturing die sets.

The committee understands that additional resources will be required to complete these production line upgrades and strongly urges the Secretary of Defense to provide the resources necessary in future fiscal year budgets to complete these upgrades in order to ensure that the U.S. conventional ammunition production base will support the transformational requirements of the nation's 21st Century military.

OTHER PROCUREMENT, ARMY

Overview

The budget request for fiscal year 2004 contained $4,216.9 million for Other Procurement, Army. The committee recommends authorization of $4,321.5 million, an increase of $104.6 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Other Procurement, Army program are identified in the table below. Major changes to the Army request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	OTHER PROCUREMENT, ARMY										
	TACTICAL AND SUPPORT VEHICLES										
	TACTICAL VEHICLES										
1	TACTICAL TRAILERS/DOLLY SETS	-	17,977							-	17,977
2	SEMITRAILERS, FLATBED:	-	23,950							-	23,950
3	SEMITRAILERS, TANKERS	-	9,499							-	9,499
4	HI MOB MULTI-PURP WHLD VEH (HMMWV)	-	137,847		18,000					-	155,847
	Additional M1114s for AR						9,000				
	Additional M1114s for ARNG						9,000				
5	TRUCK, DUMP, 20T (CCE)	-	-							-	-
6	FAMILY OF MEDIUM TACTICAL VEH (FMTV)	-	309,810		40,000					-	349,810
	Additional A1CR vehicles						40,000				
7	FIRETRUCKS & ASSOCIATED FIREFIGHTING EQUIPMENT	-	14,968							-	14,968
8	FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)	-	133,130		30,900					-	164,030
	Additional HEMTTs for Counterattack Corps						11,900				
	Additonal HEMTTs for ARNG						10,000				
	Movement Tracking System for AR						9,000				
9	ARMORED SECURITY VEHICLES (ASV)	-	-							-	-
10	TRUCK, TRACTOR, LINE HAUL, M915/M916	-	45,772							-	45,772
11	TOWING DEVICE, 5TH WHEEL	-	-							-	-
12	TRUCK, TRACTOR, YARD TYPE, M878 (C/S)	5	979							5	979
13	HVY EXPANDED MOBILE TACTICAL TRUCK EXT SERV P	139	24,838							139	24,838
14	LINE HAUL ESP	-	-							-	-
15	MODIFICATION OF IN SVC EQUIP	-	57,061							-	57,061
16	ITEMS LESS THAN $5.0M (TAC VEH)	-	245							-	245
17	TOWING DEVICE-FIFTH WHEEL	40	1,958							40	1,958
	NON-TACTICAL VEHICLES										
18	HEAVY ARMORED SEDAN	4	608							4	608
19	PASSENGER CARRYING VEHICLES	-	3,078							-	3,078
20	NONTACTICAL VEHICLES, OTHER	85	6,260							85	6,260
	TOTAL TACTICAL AND SUPPORT VEHICLES		**787,980**		**88,900**		**88,900**		**-**		**876,880**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	COMM - JOINT COMMUNICATIONS										
21	COMBAT IDENTIFICATION PROGRAM	-	-							-	-
22	WIN - TACTICAL PROGRAM	-	3,231		(3,231)					-	-
	Unjustified Request								(3,231)		
23	JCSE EQUIPMENT (USREDCOM)	-	4,570							-	4,570
	COMM - SATELLITE COMMUNICATIONS										
24	DEFENSE SATELLITE COMMUNICATIONS SYSTEM	-	98,272							-	98,272
25	SHF TERM	-	17,492							-	17,492
26	SAT TERM, EMUT (SPACE)	-	5,154							-	5,154
27	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE)	14,195	44,290							14,195	44,290
28	SMART-T (SPACE)	-	48,585							-	48,585
29	SCAMP (SPACE)	-	600							-	600
30	SCAMP BLOCK II	-	-							-	-
31	GLOBAL BRDCST SVC - GBS	-	8,859							-	8,859
32	MOD OF IN-SVC EQUIP (TAC SAT)	-	10,668							-	10,668
	COMM - C3 SYSTEM										
33	ARMY GLOBAL CMD & CONTROL SYS (AGCCS)	-	16,499							-	16,499
	COMM - COMBAT COMMUNICATIONS										
34	ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO)	-	52,384		3,500					-	55,884
	Additional EPLRS for Counterattack Corps						3,500				
35	RADIO TERMINAL SET, MIDS LVT(2)	-	2,937							-	2,937
36	SINCGARS FAMILY	-	39,275		8,000					-	47,275
	Additional SINCGARS for ARNG						8,000				
37	MULTI-PURPOSE INFORMATION OPERATIONS SYSTEMS	1	6,087							1	6,087
38	JOINT TACTICAL AREA COMMAND SYSTEMS	-	850		8,000					-	8,850
	AN/ARS-6(V) COTS Upgrades						8,000				
39	ACUS MOD PROGRAM	-	108,391							-	108,391
40	COMMS-ELEC EQUIP FIELDING	-	15,903		8,000					-	23,903
	AN/PRC-148 Multiband Inter-Team Radios						8,000				
41	SOLDIER ENHANCEMENT PROGRAM COMM/ELECTRONICS	-	8,025							-	8,025
42	COMBAT SURVIVOR EVADER LOCATOR (CSEL)	-	15,393							-	15,393

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(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
43	MEDICAL COMM FOR CBT CASUALTY CARE (MC4)	-	6,602							-	6,602
	COMM - INTELLIGENCE COMM										
44	JWICS CONNECTIVITY	-	-							-	-
45	CI AUTOMATION ARCHITECTURE	-	1,241							-	1,241
	INFORMATION SECURITY										
46	TSEC - ARMY KEY MGT SYS (AKMS)	-	2,702							-	2,702
47	INFORMATION SYSTEM SECURITY PROGRAM-ISSP	-	124,419							-	124,419
	COMM - LONG HAUL COMMUNICATIONS										
48	TERRESTRIAL TRANSMISSION	-	10,332							-	10,332
49	BASE SUPPORT COMMUNICATIONS	-	46,835							-	46,835
50	ARMY DISN ROUTER	-	6,016							-	6,016
51	ELECTROMAG COMP PROG (EMCP)	-	457							-	457
52	WW TECH CON IMP PROG (WWTCIP)	-	2,975							-	2,975
	COMM - BASE COMMUNICATIONS										
53	INFORMATION SYSTEMS	-	328,188							-	328,188
54	DEFENSE MESSAGE SYSTEM (DMS)	-	12,435							-	12,435
55	LOCAL AREA NETWORK (LAN)	-	96,475		8,000					-	104,475
	Local Area Networks						8,000				
56	PENTAGON INFORMATION MGT AND TELECOM	-	14,424							-	14,424
	ELECT EQUIP - NAT FOR INT PROG (NFIP)										
57	FOREIGN COUNTERINTELLIGENCE PROG (FCI)	-	1,624							-	1,624
58	GENERAL DEFENSE INTELL PROG (GDIP)	-	24,632							-	24,632
	ELECT EQUIP - TACT INT REL ACT (TIARA)										
59	ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)	-	36,980		700					-	37,680
	Additional ASAS for Counterattack Corps						700				
60	JTT/CIBS-M (TIARA)	-	-							-	-
61	PROPHET GROUND (TIARA)	-	3,175							-	3,175
62	TUAV	8	73,764							8	73,764
63	ARMY COMMON GROUND STATION (CGS) (TIARA)	-	8,261							-	8,261
64	DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (TIARA)	-	13,003							-	13,003
65	DRUG INTERDICTION PROGRAM (DIP) (TIARA)	-	-							-	-
66	TACTICAL EXPLOITATION SYSTEM (TIARA)	-	-							-	-

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
67	DCGS-A UNIT OF EMPLOYMENT (JMIP)	-	2,687							-	2,687
68	JOINT TACTICAL GROUND STATION MODS (JTAGS)	-	-							-	-
69	TROJAN (TIARA)	-	6,535							-	6,535
70	MOD OF IN-SVC EQUIP (INTEL SPT) (TIARA)	-	2,619							-	2,619
71	CI HUMINT INFO MANAGEMENT SYSTEM (CHIMS) (TIA	-	7,892							-	7,892
72	ITEMS LESS THAN $5.0M (TIARA)	4	4,983							4	4,983
	ELECT EQUIP - ELECTRONIC WARFARE (EW)										
73	SHORTSTOP	-	-							-	-
74	COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES	-	2,296							-	2,296
	ELECT EQUIP - TACTICAL SURV. (TAC SURV)										
75	FAAD GBS	-	-							-	-
76	SENTINEL MODS	-	17,595							-	17,595
77	NIGHT VISION DEVICES	-	65,629							-	65,629
78	LONG RANGE ADVANCED SCOUT SURVEILLANCE SYSTEM	110	50,125							110	50,125
79	LTWT VIDEO RECON SYSTEM (LWVRS)	-	-		10,700					-	10,700
	Additional LVRS for USASOC						10,700				
80	NIGHT VISION, THERMAL WPN SIGHT	3,104	50,504							3,104	50,504
81	COMBAT IDENTIFICATION / AIMING LIGHT	-	-							-	-
82	ARTILLERY ACCURACY EQUIP	-	13,594							-	13,594
83	MOD OF IN-SVC EQUIP (MMS)	-	644							-	644
84	MOD OF IN-SVC EQUIP (MVS)	-	274							-	274
85	PROFILER	10	12,591							10	12,591
86	MOD OF IN-SVC EQUIP (TAC SURV)	-	35,169							-	35,169
87	FORCE XXI BATTLE CMD BRIGADE & BELOW (FBCB2)	2,674	83,200							2,674	83,200
88	LIGHTWEIGHT LASER DESIGNATOR/RANGEFINDER	45	12,302							45	12,302
89	MORTAR FIRE CONTROL SYSTEM	158	39,517							158	39,517
90	INTEGRATED MET SYS SENSORS (IMETS) - TIARA	-	9,080							-	9,080
	ELECT EQUIP - TACTICAL C2 SYSTEMS										
91	TACTICAL OPERATIONS CENTERS	-	45,613		23,900					-	69,513
	Additional TOCs for Counterattack Corps						23,900				
92	ADV FA TAC DATA SYS / EFF CTRL SYS (AFATDS/EC	-	22,324							-	22,324
93	MOD OF IN-SVC EQUIP, AFATDS	-	2,059							-	2,059

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Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
94	LIGHT WEIGHT TECH FIRE DIRECTION SYS (LWT	-	3,223							-	3,223
95	CMBT SVC SUPT CONTROL SYS (CSSCS)	-	22,197							-	22,197
96	FAAD C2	-	19,474							-	19,474
97	AIR & MSL DEFENSE PLANNING & CONTROL SYS (AMD	-	8,996							-	8,996
98	FORWARD ENTRY DEVICE / LIGHTWEIGHT FED (FED/L	-	6,023							-	6,023
99	KNIGHT FAMILY	-	6,732		28,500					-	35,232
	Knight Family for ARNG						28,500				
100	LIFE CYCLE SOFTWARE SUPPORT (LCSS)	-	1,814							-	1,814
101	LOGTECH	-	8,774							-	8,774
102	TC AIMS II	-	17,492							-	17,492
103	GUN LAYING AND POS SYS (GLPS)	-	-							-	-
104	ISYSCON EQUIPMENT	-	21,528							-	21,528
105	JOINT NETWORK MANAGEMENT SYSTEM (JNMS)	-	9,452							-	9,452
106	TACTICAL INTERNET MANAGER	-	8,321							-	8,321
107	MANEUVER CONTROL SYSTEM (MCS)	201	37,141		4,000					201	41,141
	Additional MCS for Counterattack Corps						4,000				
108	STAMIS TACTICAL COMPUTERS (STACOMP)	-	46,233							-	46,233
109	STANDARD INTEGRATED CMD POST SYSTEM	-	361							-	361
	ELECT EQUIP - AUTOMATION										
110	ARMY TRAINING MODERNIZATION	-	6,186							-	6,186
111	AUTOMATED DATA PROCESSING EQUIP	-	213,055							-	213,055
112	RESERVE COMPONENT AUTOMATION SYS (RCAS)	-	45,789							-	45,789
	ELECT EQUIP - AUDIO VISUAL SYS (A/V)										
113	SPECIAL INFORMATION OPERATIONS (SIO) (TIARA)	-	-							-	-
114	AFRTS	-	2,519							-	2,519
115	ITEMS LESS THAN $5.0M (A/V)	-	3,879							-	3,879
116	ITEMS LESS THAN $5M (SURVEYING EQUIPMENT)	-	2,047							-	2,047
	ELECT EQUIP - SUPPORT										
117	PRODUCTION BASE SUPPORT (C-E)	-	426							-	426
	TOTAL COMMUNICATIONS AND ELECTRONICS EQUIPMENT		**2,300,899**		**100,069**		**103,300**		**(3,231)**		**2,400,968**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	OTHER SUPPORT EQUIPMENT										
	CHEMICAL DEFENSIVE EQUIPMENT										
118	SMOKE & OBSCURANT FAMILY: SOF (NON AAO ITEM)	-	35,252							-	35,252
	BRIDGING EQUIPMENT										
119	TACTICAL BRIDGING	-	42,539							-	42,539
120	TACTICAL BRIDGE, FLOAT-RIBBON	-	59,393							-	59,393
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT										
121	DISPENSER, MINE M139	-	5,231							-	5,231
122	TOWED VOLCANO DELIVERY SYSTEM	-	-							-	-
123	VOLCANO LIGHT	-	-							-	-
124	HANDHELD STANDOFF MINEFIELD DETECTION SYS-HST	69	1,766							69	1,766
125	KIT, STANDARD TELEOPERATING	12	2,314							12	2,314
126	GRND STANDOFF MINE DETECTION SYSTEM (GSTAMIDS	-	-							-	-
127	WIDE AREA MUNITIONS (REMOTE CONTROL UNIT)	-	-							-	-
128	ROBOTIC COMBAT SUPPORT SYSTEM (RCSS)	36	8,247							36	8,247
129	EXPLOSIVE ORDNANCE DISPOSAL EQPMT (EOD EQPMT)	-	9,398							-	9,398
130	ITEMS LESS THAN $5M, COUNTERMINE EQUIPMENT	3	624							3	624
	COMBAT SERVICE SUPPORT EQUIPMENT										
131	HEATERS AND ECU'S	-	13,544							-	13,544
132	LAUNDRIES, SHOWERS AND LATRINES	-	5,979							-	5,979
133	FLOODLIGHT SET, ELEC, TRL MTD, 3 LIGHTS	-	-							-	-
134	SOLDIER ENHANCEMENT	795	4,286							795	4,286
135	LIGHTWEIGHT MAINTENANCE ENCLOSURE (LME)	-	7,577							-	7,577
136	LAND WARRIOR	2,425	94,827	(2,425)	(94,827)			(2,425)		-	-
	Transfer to W&TCV-25 "M249 SAW"								(6,900)		
	Transfer to PE 64713A								(58,500)		
	Transfer to OPA-40								(8,000)		
	Reduction - Not ready for procurement								(21,427)		
137	AUTHORIZED STOCKAGE LIST MOBILITY SYSTEM (ASL	-	4,451							-	4,451
138	FIELD FEEDING EQUIPMENT	-	16,021							-	16,021
139	AIR DROP PROGRAM	-	4,892							-	4,892
140	CAMOUFLAGE: ULCANS	-	-							-	-

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
141	ITEMS LESS THAN $5.0M (ENG SPT EQ)	-	10,947							-	10,947
142	ITEMS LESS THAN $5.0M (CSS EQ)	-	-							-	-
	PETROLEUM EQUIPMENT										
143	QUALITY SURVEILLANCE EQUIPMENT	-	-							-	-
144	DISTRIBUTION SYSTEMS, PETROLEUM & WATER	-	24,205							-	24,205
145	INLAND PETROLEUM DISTRIBUTION SYSTEM	-	1,182							-	1,182
	WATER EQUIPMENT										
146	WATER PURIFICATION SYSTEMS	-	15,809							-	15,809
	MEDICAL EQUIPMENT										
147	COMBAT SUPPORT MEDICAL	-	16,555		2,000					-	18,555
	Medical Logistics Battalion Computer Sets						2,000				
	MAINTENANCE EQUIPMENT										
148	SHOP EQ CONTACT MAINTENANCE TRK MTD (MYP)	186	12,855							186	12,855
149	WELDING SHOP, TRAILER MTD	112	5,873							112	5,873
150	ITEMS LESS THAN $5.0M (MAINT EQ)	-	4,002							-	4,002
	CONSTRUCTION EQUIPMENT										
151	GRADER, ROAD MTZD, HVY, 6X4 (CCE)	-	-							-	-
152	SCRAPERS, EARTHMOVING	-	-							-	-
153	DISTR, WATER, SP MIN 2500G SEC/NON-SEC	-	-							-	-
154	MISSION MODULES - ENGINEERING	-	16,607							-	16,607
155	COMPACTOR	-	-							-	-
156	LOADERS	-	8,148							-	8,148
157	HYDRAULIC EXCAVATOR	-	-							-	-
158	DEPLOYABLE UNIVERSAL COMBAT EARTH MOVERS	-	-							-	-
159	TRACTOR, FULL TRACKED	-	-		10,000					-	10,000
	Additional Dozers for Counterattack Corps						5,000				
	Additional Dozers for ARNG						5,000				
160	CRANES	-	4,131							-	4,131
161	CRUSHING/SCREENING PLANT, 150 TPH	1	1,781							1	1,781
162	PLANT, ASPHALT MIXING	1	1,937							1	1,937
163	ARMORED COMBAT EARTHMOVER, M9 ACE	-	-							-	-
164	HIGH MOBILITY ENGINEER EXCAVATOR (HMEE)	15	4,842							15	4,842

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		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
165	CONST EQUIP ESP	-	-		10,000					-	10,000
	SLEP for ARNG and AR						10,000				
166	ITEMS LESS THAN $5.0M (CONST EQUIP)	-	6,305							-	6,305
	RAIL FLOAT CONTAINERIZATION EQUIPMENT										
167	FLOATING CRANE, 100-250 TON	-	-							-	-
168	LOGISTIC SUPPORT VESSEL (LSV)	-	-	1	36,500	1	33,000			1	36,500
	Small Tugs						3,500				
169	CAUSEWAY SYSTEMS	-	-							-	-
170	ITEMS LESS THAN $5.0M (FLOAT/RAIL)	-	7,860							-	7,860
	GENERATORS										
171	GENERATORS AND ASSOCIATED EQUIP	-	62,853							-	62,853
	MATERIAL HANDLING EQUIPMENT										
172	ROUGH TERRAIN CONTAINER HANDLER (RTCH)	72	36,237							72	36,237
173	ALL TERRAIN LIFTING ARMY SYSTEM	142	22,422							142	22,422
174	MHE EXTENDED SERVICE PROGRAM (ESP)	6	1,329							6	1,329
175	ITEMS LESS THAN $5.0M (MHE)	-	-							-	-
	TRAINING EQUIPMENT										
176	COMBAT TRAINING CENTERS (CTC) SUPPORT	-	36,827							-	36,827
177	TRAINING DEVICES, NONSYSTEM	-	165,254		10,000					-	175,254
	Laser Markmanship Training Systems for Army Reserve						10,000				
178	CLOSE COMBAT TACTICAL TRAINER	-	71,692							-	71,692
179	AVIATION COMBINED ARMS TACTICAL TRAINER (AVCA	-	10,295							-	10,295
	TEST MEASURE AND DIG EQUIPMENT (TMD)										
180	CALIBRATION SETS EQUIPMENT	-	18,304							-	18,304
181	INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)	-	27,952		10,000					-	37,952
	Additional TSC-750 Maintenance Support Devices						10,000				
182	TEST EQUIPMENT MODERNIZATION (TEMOD)	-	14,718							-	14,718
183	ARMY DIAGNOSTICS IMPROVEMENT PGM (ADIP)	-	-							-	-
	OTHER SUPPORT EQUIPMENT										
184	RECONFIGURABLE SIMULATORS	-	-							-	-
185	PHYSICAL SECURITY SYSTEMS (OPA3)	-	75,288							-	75,288
186	BASE LEVEL COM'L EQUIPMENT	-	15,026							-	15,026

Title I - PROCUREMENT
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		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
187	MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)	-	47,918							-	47,918
188	PRODUCTION BASE SUPPORT (OTH)	-	2,571							-	2,571
189	SPECIAL EQUIPMENT FOR USER TESTING	-	11,526							-	11,526
190	MA8975	-	2,419							-	2,419
191	CLOSED ACCOUNT ADJUSTMENTS	-	-							-	-
	TOTAL OTHER SUPPORT EQUIPMENT		**1,082,011**		**(16,327)**		**78,500**		**(94,827)**		**1,065,684**
	SPARE AND REPAIR PARTS										
	OPA2										
192	INITIAL SPARES - C&E	-	44,714							-	44,714
	OPA3										
193	INITIAL SPARES - OTHER SUPPORT EQUIP	-	1,250							-	1,250
	TOTAL SPARE AND REPAIR PARTS		**45,964**		**-**		**-**		**-**		**45,964**
	Information Technology General Reduction				(68,000)				(68,000)		(68,000)
	TOTAL OTHER PROCUREMENT, ARMY		**4,216,854**		**104,642**		**270,700**		**(166,058)**		**4,321,496**

Items of Special Interest

Communications-electronics equipment fielding

The budget request contained $15.9 million for the procurement and fielding of communications-electronics equipment, but included no funds for the procurement of the AN/PRC–148 Multiband Inter-Team Radio (MBITR).

The AN/PRC–148 MBITR is the interim platoon, squad and specials operations team leader radio for selected light infantry units, which provides small unit secure and non-secure communications. The committee notes that this radio will provide small unit communications until the Joint Tactical Radio System handheld "cluster II" requirements are identified and developed and that additional requirements for the MBITR exist in infantry units. The committee also notes that the Army Chief of Staff has identified a $9.4 million fiscal year 2004 unfunded requirement for the AN/PRC–148 MBITR as part of the rapid fielding initiative.

The committee recommends $23.9 million, an increase of $8.0 million, for additional AN/PRC–148 MBITR systems for the rapid fielding initiative and notes that this increase is a transfer of funds from the Land Warrior program.

Construction equipment ESP

The budget request contained no funds for a construction equipment service life extension program (SLEP) for the Army National Guard or Army Reserve.

The committee notes that this SLEP has been an extremely successful program in prior fiscal years for both the active and reserve components and provides for an overhaul and "zero-mile" refurbishment of aging combat construction equipment. The committee also notes that the Army Chief of Staff has identified a $10.2 million fiscal year 2004 unfunded requirement for this purpose.

The committee recommends an increase of $10.0 million for construction equipment SLEP for the reserve component.

Family of heavy tactical vehicles

The budget request contained $133.0 million to procure palletized load systems, heavy equipment transporter systems, heavy expanded mobility tactical trucks and other related equipment of which $10.4 million was included to procure 656 movement tracking systems (MTS). However, no funds were budgeted for the Army Reserve.

The MTS is a satellite-based tracking, communication system providing combat service support units with total asset visibility, global positioning system vehicle location, and tracking and two-way text messaging between stationary base locations and vehicles.

The committee understands the MTS significantly enhances the Army's ability to strategically position vehicles based on battlefield requirements, monitor, and track re-supply items, while providing near real-time command and control of in-theater logistical requirements and assets. As Army Reserve deployments increase, the committee believes there is an increasing need for better communications interoperability between the digitized Counterattack Corps and mobilized Reserve combat service support units directly participating in real world scenarios. The committee also notes the

Chief of the Army Reserve has identified a fiscal year 2004 unfunded requirement for MTS.

The committee recommends $142.0 million for the family of heavy tactical vehicles, an increase of $9.0 million, to accelerate procurement of MTS for the Army Reserve.

Full tracked tractor

The budget request contained no funds to procure full tracked tractor dozers for either the Counterattack Corps or the Army National Guard (ARNG).

The full tracked tractor dozer provides a heavy dozing and clearing capability for combat heavy construction battalions and construction support companies in support of heavy forces and national emergency response by the ARNG. The committee notes that the Army Chief of Staff has identified a fiscal year 2004, $18.4 million unfunded requirement for these vehicles.

The committee recommends an increase of $10.0 million, $5.0 million for active component dozers, and, $5.0 million for ARNG dozers to field additional capability in support of heavy counterattack corps and ARNG requirements.

High mobility multi-purpose wheeled vehicles (HMMWVs)

The budget request contained $137.8 million for HMMWVs, of which $38.4 million was included to procure 250 of the M1114 Up-Armor variant.

The Up-Armor HMMWV is a multi-service, four wheel drive utility vehicle that provides proven ballistic protection for soldiers from anti-personnel and anti-tank mines and armored piercing munitions. The committee notes the Chief of the National Guard has identified a critical shortfall of 3,410 vehicles, and the Chief of the Army Reserve has identified this program as a top unfunded requirement. The committee understands these additional vehicles will supplement deployed Army Reserve units in combat support missions and also accelerate fielding to the National Guard, now performing expanded homeland security duties.

The committee recommends $155.8 million, an increase of $18.0 million for additional M1114 Up-Armor HMMWVs to address guard and reserve shortfalls, recognizing the ongoing importance of force protection and in light of lessons learned from previous urban and combat operations.

Joint tactical area command systems

The budget request contained $900,000 for management of joint tactical area command systems, but included no funds to upgrade existing AN/ARS–6 (V) personnel locator communications systems with state-of-the-art, commercial-off-the-shelf (COTS) technology.

The AN/ARS–6 (V) personnel locator communications system is an airborne electronic locator, which can precisely locate survivors on the ground equipped with AN/PRC–112 survival radios. The committee understands that this COTS upgrade will include a global positioning system waveform for currently fielded systems, but is also required as well to provide interoperability with next generation Combat Survivor Evader Locator survival radios. The committee believes that this capability may aid in the rescue and recovery of personnel and survivors in extremis situations.

The committee recommends $8.9 million for joint tactical area command systems, an increase of $8.0 million, for AN/ARS–6 (V) COTS insertion upgrades.

Knight family

The budget request contained $6.7 million for engineering support and fielding of the Knight command and control and targeting system, but included no funds for the procurement of Knight systems for the Army National Guard (ARNG).

The Knight system is a high mobility multi-purpose wheeled vehicle mounted system, which incorporates a Bradley fire support vehicle mission equipment package of a laser rangefinder/designator, thermal sight, handheld computer, and both inertial navigation and global positioning systems. The Knight system is operated by combat observation lasing teams as an integral part of heavy and light division and ARNG enhanced separate brigade reconnaissance teams to locate and designate targets for laser-guided ordnance.

The committee notes that the system will be terminated in fiscal year 2004, which will only allow this system to be fielded to Counterattack Corps units and that funds appropriated in prior years for the ARNG Knight systems enabled the fielding of only approximately 50 percent of the requirement for an ARNG enhanced separate brigade.

The committee recommends $35.2 million, an increase of $28.5 million for 39 Knight family systems to accelerate fielding to the ARNG.

Land warrior

The budget request contained $94.8 million for the procurement of Land Warrior systems. The committee notes that this system failed developmental tests and that the program has been restructured in fiscal year 2003 to continue development of system software to correct reliability deficiencies which resulted in the developmental test failure. The committee also notes that this is the Army's second unsuccessful attempt to enter into procurement of the Land Warrior system, the last of which occurred six years ago in fiscal year 1999. The committee understands that technologies incorporated into this system, which would enhance a soldier's situational awareness, are continually improving. As a result, the committee is very concerned with these continued program delays and that the Army has not structured this program to field capabilities in a block format. The committee strongly urges the Army to freeze an achievable design so this system can enter into procurement and be fielded to warfighters who would benefit from it. The committee will monitor the system's progress through fiscal year 2004 and will consider less costly alternative technologies in the future, which are readily available and can be rapidly fielded, if this system does not show improvement in development.

Consequently, the Army has restructured the program and requested, and the committee recommends, that $58.5 million be transferred from procurement to PE 64713A for continued system development and demonstration. Further, the committee recommends no funds for the procurement of the Land Warrior system, however, it recommends a transfer of $6.9 million to Weapons

and Tracked Combat Vehicles for the procurement of Squad Automatic Weapons, and, $8.0 million to Other Procurement, Army, Communications-Electronics Equipment Fielding for AN/PRC–148 radios.

Lightweight video reconnaissance system (LVRS)

The budget request contained no funds for LVRS.

The LVRS provides scouts, long range surveillance units, and special operations forces the capability to capture still frame photographic images in all light conditions, especially low light and low visibility situations, and then transmit those images via military radio to higher headquarters for near real-time information, intelligence and enhanced situational awareness. The committee notes this system was terminated by the Secretary of the Army in the fiscal year 2004 budget request because the Land Warrior system was to replace its capability. However, the committee notes that the Land Warrior system will not enter into procurement in fiscal year 2004 as originally planned, and notes that an increase of $10.7 million would procure enough LVRS to complete fielding to the United States Army Special Operations Command (USASOC).

The committee recommends an increase of $10.7 million for the procurement of LVRS to complete the fielding of this system to USASOC.

Local area network upgrades

The budget request contained $96.5 million to upgrade the local area networks at several Army installations. The local area network forms the communications backbone of an installation, and is a critical component that enables an installation to rapidly and efficiently deploy the combat units resident at that installation. The committee is concerned that the installations hosting XVIII Airborne Corps major units have not received necessary upgrades to ensure that the Army's combat power can move quickly when needed and believes that additional effort is required to fully upgrade these local area networks. At some locations, outmoded asynchronous transmission mode switching equipment has not been replaced by gigabit ethernet switching with open standard spaced software. The committee believes the installations hosting these important units should be upgraded as soon as possible to ensure compatibility with Army-wide open standard systems.

The committee recommends $104.5 million for upgrades of Army installation local area networks, an increase of $8.0 million.

Logistic support vessel (LSV)

The budget request contained no funds for procurement of an LSV.

The Department of the Army's eight-ship LSV fleet provides worldwide transport of its combat vehicles, personnel and sustainment cargo, and is capable of ship-to-shore operations including those in remote areas with unimproved beaches or inland waterways. The committee notes that the recent Operations Enduring Freedom and Iraqi Freedom have highlighted the importance of LSV's to the Army's strategic vision of rapid brigade and division deployment, and believes that an additional LSV would meet emerging requirements to support the global war on terrorism.

The committee recommends an increase of $33.0 million for an additional LSV.

Nonsystem training devices

The budget request contained $165.3 million to procure nonsytem training devices, but included no funds to procure BEAMHIT laser marksmanship training systems (LMTS) for the Army Reserve.

The committee understands that the Army Reserve lacks adequate BEAMHIT LMTS to maintain marksmanship training skills. The committee notes that the Army Chief of Staff increased marksmanship training and readiness requirements for combat service support (CSS) and combat support (CS) units to fight the global war on terrorism, after the September 11, 2001, terrorist attacks on the United States. The committee also notes that the Army Reserve comprises a substantial amount of the Army's CSS and CS units.

The committee recommends $175.3 million, an increase of $10.0 million, for additional BEAMHIT LMTS for the Army Reserve.

Warfighter information network-tactical (WIN–T)

The budget request contained $3.2 million for the procurement of "prototype sensor particulate, noble gas detection equipment and associated field station infrastructure for automated, remote operation for WIN–T."

The committee notes that the justification for this program does not fit the information system requirements outlined in the WIN–T operational requirements document and notes that procurement was not planned to begin until fiscal year 2005.

The committee recommends a decrease of $3.2 million for WIN–T.

AIRCRAFT PROCUREMENT, NAVY

Overview

The budget request for fiscal year 2004 contained $8,788.1 million for Aircraft Procurement, Navy. The committee recommends authorization of $9,050.0 million, an increase of $261.9 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Aircraft Procurement, Navy program are identified in the table below. Major changes to the Navy request are discussed following the table.

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(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	AIRCRAFT PROCUREMENT, NAVY										
	COMBAT AIRCRAFT										
1	AV-8B (V/STOL)HARRIER (MYP)	-	12,493							-	12,493
2	F/A-18E/F (FIGHTER) HORNET (MYP)	42	3,054,092		25,000					42	3,079,092
	F/A-18E/F Aircraft Armament Equipment						25,000				
2	F/A-18E/F (FIGHTER) HORNET (MYP)	-	(107,712)							-	(107,712)
3	F/A-18E/F (FIGHTER) HORNET (MYP)	-	-							-	-
3	F/A-18E/F (FIGHTER) HORNET (MYP)	-	-							-	-
3	F/A-18E/F (FIGHTER) HORNET (MYP)	-	84,765							-	84,765
3	F/A-18E/F (FIGHTER) HORNET (MYP)	-	-							-	-
4	JOINT STRIKE FIGHTER	-	-							-	-
5	V-22 (MEDIUM LIFT)	9	874,045							9	874,045
5	V-22 (MEDIUM LIFT)	-	(40,936)							-	(40,936)
6	V-22 (MEDIUM LIFT)	-	-							-	-
6	V-22 (MEDIUM LIFT)	-	-							-	-
6	V-22 (MEDIUM LIFT)	-	39,058							-	39,058
6	V-22 (MEDIUM LIFT)	-	-							-	-
7	AH-1W (HELICOPTER) SEA COBRA	-	-							-	-
8	UH-1Y/AH-1Z	9	310,799							9	310,799
9	MH-60S (MYP)	13	413,896							13	413,896
9	MH-60S (MYP)	-	(77,360)							-	(77,360)
10	MH-60S (MYP)	-	-							-	-
10	MH-60S (MYP)	-	-							-	-
10	MH-60S (MYP)	-	94,972							-	94,972
10	MH-60S (MYP)	-	-							-	-
11	MH-60R	6	380,723							6	380,723
11	MH-60R	-	(28,666)							-	(28,666)
12	MH-60R	-	-							-	-
12	MH-60R	-	46,472							-	46,472
12	MH-60R	-	-							-	-
13	E-2C (EARLY WARNING) HAWKEYE (MYP)	2	238,063							2	238,063
13	E-2C (EARLY WARNING) HAWKEYE (MYP)	-	(26,966)							-	(26,966)

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
14	E-2C (EARLY WARNING) HAWKEYE (MYP)	-	-							-	-
14	E-2C (EARLY WARNING) HAWKEYE (MYP)	-	-							-	-
14	E-2C (EARLY WARNING) HAWKEYE (MYP)	-	17,409							-	17,409
14	E-2C (EARLY WARNING) HAWKEYE (MYP)	-	-							-	-
	TOTAL COMBAT AIRCRAFT		**5,285,147**		**25,000**		**25,000**		**-**		**5,310,147**
	AIRLIFT AIRCRAFT										
15	MH-60S (MYP)	-	-							-	-
15	MH-60S (MYP)	-	-							-	-
16	UC-35	2	15,579							2	15,579
17	C-40A	1	63,952							1	63,952
18	C-37	-	-							-	-
	TOTAL AIRLIFT AIRCRAFT		**79,531**		**-**		**-**		**-**		**79,531**
	TRAINER AIRCRAFT										
19	T-39	1	22,018							1	22,018
20	T-45TS (TRAINER) GOSHAWK	15	339,201							15	339,201
20	T-45TS (TRAINER) GOSHAWK	-	-							-	-
21	JPATS	-	2,399		14,700					-	17,099
	T-6A aircraft and ground based systems						14,700				
	TOTAL TRAINER AIRCRAFT		**363,618**		**14,700**		**14,700**		**-**		**378,318**
	OTHER AIRCRAFT										
22	KC-130J	-	39,163							-	39,163
22	KC-130J	-	-							-	-
23	KC-130J	-	-							-	-
23	KC-130J	-	-							-	-
23	KC-130J	-	-							-	-
23	KC-130J	-	-							-	-
23	KC-130J	-	40,000							-	40,000
23	KC-130J	-	-							-	-
24	F-5	4	1,947							4	1,947
	TOTAL OTHER AIRCRAFT		**81,110**		**-**		**-**		**-**		**81,110**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	MODIFICATION OF AIRCRAFT										
25	EA-6 SERIES	-	207,146		132,400					-	339,546
	EA-6B OWP						60,000				
	EA-6B OBOGS						6,000				
	EA-6B ICAP III kits						66,400				
26	AV-8 SERIES	-	20,866		37,000					-	57,866
	Litening AT pods and conversion of Litening II to AT						37,000				
27	F-14 SERIES	-	-							-	-
28	ADVERSARY	-	2,649							-	2,649
29	F-18 SERIES	-	335,894							-	335,894
30	H-46 SERIES	-	81,072		4,000					-	85,072
	CH-46 OSIP Inventory Adjustment						4,000				
31	AH-1W SERIES	-	5,810							-	5,810
32	H-53 SERIES	-	9,676							-	9,676
33	SH-60 SERIES	-	18,405							-	18,405
34	H-1 SERIES	-	3,492		12,000					-	15,492
	AH/UH-1 IR Suppression System mods.						12,000				
35	H-3 SERIES	-	-							-	-
36	EP-3 SERIES	-	31,506		8,700					-	40,206
	USQ-146 Communication Jammer Upgrade						8,700				
37	P-3 SERIES	-	94,972		9,000					-	103,972
	Electro-optics and Communications Upgrades						9,000				
38	S-3 SERIES	-	8,364							-	8,364
39	E-2 SERIES	-	43,139							-	43,139
40	TRAINER A/C SERIES	-	10,497							-	10,497
41	C-2A	-	35,318							-	35,318
42	C-130 SERIES	-	6,554							-	6,554
43	FEWSG	-	565							-	565
44	CARGO/TRANSPORT A/C SERIES	-	13,290							-	13,290
45	E-6 SERIES	-	48,517							-	48,517
46	EXECUTIVE HELICOPTERS SERIES	-	26,537							-	26,537

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
47	SPECIAL PROJECT AIRCRAFT	-	49,601							-	49,601
48	T-45 SERIES	-	22,321		19,100					-	41,421
	T-45A to C Conversion						19,100				
49	POWER PLANT CHANGES	-	21,564							-	21,564
50	JPATS SERIES	-	534							-	534
51	AVIATION LIFE SUPPORT MODS	-	6,358							-	6,358
52	COMMON ECM EQUIPMENT	-	20,729							-	20,729
53	COMMON AVIONICS CHANGES	-	148,627							-	148,627
54	MV-22 MODIFICATIONS	-	4,814							-	4,814
	TOTAL MODIFICATION OF AIRCRAFT		**1,278,817**		**222,200**		**222,200**		**-**		**1,501,017**
	AIRCRAFT SPARES AND REPAIR PARTS										
55	SPARES AND REPAIR PARTS	-	1,158,057							-	1,158,057
	TOTAL AIRCRAFT SPARES AND REPAIR PARTS		**1,158,057**		**-**		**-**		**-**		**1,158,057**
	AIRCRAFT SUPPORT EQUIPMENT & FACILITIES										
56	CANCELLED ACCOUNT ADJUSTMENTS (M)	-	-							-	-
57	CANCELLED ACCOUNT ADJUSTMENTS (88)	-	-							-	-
58	CANCELLED ACCOUNT ADJ (89)	-	-							-	-
59	CANCELLED ACCOUNT ADJUSTMENT (90)	-	-							-	-
60	PEACEKEEPER	-	-							-	-
61	COMMON GROUND EQUIPMENT	-	460,865							-	460,865
62	AIRCRAFT INDUSTRIAL FACILITIES	-	15,487							-	15,487
63	WAR CONSUMABLES	-	11,247							-	11,247
64	OTHER PRODUCTION CHARGES	-	25,790							-	25,790
65	SPECIAL SUPPORT EQUIPMENT	-	26,785							-	26,785
66	FIRST DESTINATION TRANSPORTATION	-	1,694							-	1,694
67	CANCELLED ACCOUNT ADJUSTMENTS	-	-							-	-
	TOTAL AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES		**541,868**		**-**		**-**		**-**		**541,868**
	TOTAL AIRCRAFT PROCUREMENT, NAVY		**8,788,148**		**261,900**		**261,900**		**-**		**9,050,048**

Items of Special Interest

AV–8B series modifications

The budget request contained $20.9 million for AV–8B series modifications, but included no funds for Litening advanced airborne targeting and navigation (AT) pods or for the upgrade of Litening II pods to the Litening AT configuration.

The Litening AT pod is the next generation Litening pod system that will incorporate an advanced forward-looking infra-red radar and other enhancements to the existing multi-sensor and precision strike capability. The committee understands that the Marine Corps has a requirement for 98 Litening targeting pods but has thus far only procured 76, for a shortfall of 22. Additionally, the committee understands that the Marine Corps has a requirement to upgrade eight Litening II pods to the Litening AT configuration so that all AV–8B Litening pods maintain the same configuration. The committee notes that both the 22 Litening AT pods and the upgrade of eight Litening II pods to the Litening AT configuration are included among the Commandant of the Marine Corps' unfunded priorities for fiscal year 2004.

The committee recommends $57.9 million for AV–8B series modifications, an increase of $37.0 million for this purpose.

EA–6B modifications

The budget request contained $207.1 million for EA–6B modifications, of which $89.6 million was included for improved capabilities (ICAP) III modification kits, but included no funds to replace the outer wing panel (OWP), or for the on-board oxygen-generating system (OBOGS). The Department of the Navy's fleet of 121 EA–6B aircraft is the Department of Defense's only aircraft configured to provide the electronic-jamming capability to deny and degrade the acquisition of friendly forces by enemy air defense systems.

The ICAP III modification significantly improves the EA–6B's ability to suppress and destroy modern enemy air defenses by accurately identifying the specific emitter type, and by providing the enemy emitter's range and bearing thereby allowing timely employment of suppression or destruction weapons. The committee notes that both the Chief of Naval Operations and the Commandant of the Marine Corps have included additional ICAP III modification kits among their unfunded priorities for fiscal year 2004, and therefore recommends an increase of $66.4 million for eight additional ICAP III modification kits.

The committee understands that recent EA–6B fatigue life inspections have revealed that OWPs are aging more rapidly than expected due to fatigue cracking, and that this situation has prompted the Navy to ground eight of its EA–6Bs in December 2002, and to restrict EA–6B flight operations in 23 aircraft to less than three times the force of gravity, or "g's," rather than its full operating envelope of 5.5 g's. To restore these aircraft to their full operating envelope, OWPs must be replaced and the committee notes that the Chief of Naval Operations has included replacement EA–6B OWPs among his unfunded priorities for fiscal year 2004. Accordingly, the committee recommends an increase of $60.0 million to procure and install 18 OWP sets.

The OBOGS replaces the antiquated liquid oxygen system by creating a continuous supply of breathing oxygen to aircrews by using pressurized engine bleed air routed through a molecular sieve which removes nitrogen, yielding 93 percent pure oxygen. The committee understands that the EA–6B is one of two remaining non-OBOGS equipped carrier wing aircraft, and that additional funds are required in fiscal year 2004 to complete non-recurring engineering to fully integrate OBOGS in the EA–6B. Consequently, the committee recommends an increase of $6.0 million for this purpose.

In total, the committee recommends $339.5 million for EA–6B modifications, an increase of $132.4 million.

Joint Primary Air Training System (JPATS)

The budget request contained $2.4 million for procurement of JPATS support equipment, but included no funds to procure T–6A aircraft or associated ground-based training systems.

The JPATS, consisting of both the T–6A aircraft and a ground-based training system, will be used by the Navy and Air Force for primary pilot training. The T–6A will replace both the Navy's T–34 and Air Force's T–37B fleets, providing safer, more economical and more effective training for future student pilots.

Despite the Department of the Navy's intention not to continue JPATS procurement until fiscal year 2007, the committee continues to believe that its procurement for the Navy would not only reduce procurement costs for both the Navy and the Air Force but would also reduce operations and maintenance costs.

The committee recommends $17.1 million for JPATS, an increase of $14.7 million for T–6A aircraft and associated ground-based training systems.

P–3 series modifications

The budget request contained $95.0 million for P–3 series modifications but included no funds for procurement of electro-optic sensors and communications upgrades for non anti-surface warfare improvement program (AIP) equipped aircraft.

The AIP upgrade improves the P–3's communications, survivability, and over-the-horizon targeting capabilities through the installation of commercial-off-the-shelf components. The committee understands that AIP-equipped P–3s are the theater commander's platform of choice for overland intelligence, surveillance and reconnaissance (ISR) missions, and that, as a result of extensive tasking, AIP-equipped P–3s are rapidly consuming aircraft life. The committee notes, however, that of the Navy's 288-aircraft P–3 inventory, only 69 aircraft have been, or are planned to be, modified with the AIP upgrade leaving 219 aircraft that have been subject to a diminished theater commander demand. The committee understands that some of the remaining 219 non-AIP equipped aircraft could be upgraded with electro-optic sensors and communication upgrades allowing those P–3 aircraft to assume lower priority ISR missions thereby conserving aircraft life on AIP-equipped P–3 aircraft.

The committee recommends $104.0 million, an increase of $9.0 million for procurement of electro-optic sensors and communication upgrades for one non-AIP equipped P–3 aircraft and its associated non-recurring engineering.

T–45A to T–45C conversion

The budget request contained $22.3 million for T–45 series modifications, but included no funds for the conversion of T–45A aircraft to the T–45C configuration. The T–45 is a two-seat, aircraft carrier-capable aircraft used for the Navy's intermediate-level undergraduate pilot training. The T–45A has an analog cockpit, while the T–45C is equipped with digital cockpit displays.

The committee understands that the T–45A's analog cockpit display configuration does not provide the same quality of training provided by the T–45C's digital cockpit display design since current aircraft such as the F/A–18E/F are equipped with digital cockpit displays and future aircraft such as the F–35 are also planned to have digital cockpit displays. The committee also understands that the Navy Chief of Naval Air Training has identified the conversion of T–45A's to the T–45C configuration as his number two priority.

The committee recommends $41.4 million for T–45 series modifications, an increase of $19.1 million for conversion of T–45A aircraft to the T–45C configuration, to improve the quality of T–45 pilot training.

WEAPONS PROCUREMENT, NAVY

Overview

The budget request for fiscal year 2004 contained $1,991.8 million for Weapons Procurement, Navy. The committee recommends authorization of $2,529.8 million, an increase of $538.0 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Weapons Procurement, Navy program are identified in the table below. Major changes to the Navy request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	WEAPONS PROCUREMENT, NAVY										
	BALLISTIC MISSILES										
1	TRIDENT II	12	688,028							12	688,028
1	TRIDENT II	-	(12,819)							-	(12,819)
2	TRIDENT II	-	-							-	-
	MODIFICATION OF MISSILES										
3	TRIDENT II MODS	-	-							-	-
	SUPPORT EQUIPMENT AND FACILITIES										
4	MISSILE INDUSTRIAL FACILITIES	-	1,305							-	1,305
	TOTAL BALLISTIC MISSILES		**676,514**		-		-		-		**676,514**
	OTHER MISSILES										
	STRATEGIC MISSILES										
5	TOMAHAWK	267	277,588	333	376,000					600	653,588
	Additional Missiles					333	336,000				
	Tooling and Testing						40,000				
5a	AFFORDABLE WEAPON			2,000	138,000	2,000	138,000			2,000	138,000
6	ESSM	105	112,774							105	112,774
	TACTICAL MISSILES										
7	AMRAAM	53	37,648							53	37,648
8	SIDEWINDER	167	35,818							167	35,818
9	JSOW	429	138,451							429	138,451
10	SLAM-ER	84	54,145							84	54,145
11	STANDARD MISSILE	75	148,308							75	148,308
12	RAM	90	48,315							90	48,315
13	AERIAL TARGETS	-	70,676		15,000					-	85,676
	GQM-163A Coyote Supersonic Sea Skimming Target						15,000				
14	DRONES AND DECOYS	-	-							-	-
15	OTHER MISSILE SUPPORT	-	10,943							-	10,943
	MODIFICATION OF MISSILES										
16	SIDEWINDER MODS	-	-							-	-
17	HARM MODS	-	7,787							-	7,787

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
18	STANDARD MISSILES MODS	-	50,836							-	50,836
	SUPPORT EQUIPMENT AND FACILITIES										
19	WEAPONS INDUSTRIAL FACILITIES	-	7,443							-	7,443
20	FLEET SATELLITE COMM FOLLOW-ON	-	-							-	-
	ORDNANCE SUPPORT EQUIPMENT										
21	ORDNANCE SUPPORT EQUIPMENT	-	15,361							-	15,361
	TOTAL OTHER MISSILES		**1,016,093**		**529,000**		**529,000**		**-**		**1,545,093**
	TORPEDOES AND RELATED EQUIPMENT										
22	ASW TARGETS	-	25,532							-	25,532
	MOD OF TORPEDOES AND RELATED EQUIP										
23	MK-46 TORPEDO MODS	-	34,249							-	34,249
24	MK-48 TORPEDO ADCAP MODS	-	60,372							-	60,372
25	QUICKSTRIKE MINE	-	3,210							-	3,210
	SUPPORT EQUIPMENT										
26	TORPEDO SUPPORT EQUIPMENT	-	24,943							-	24,943
27	ASW RANGE SUPPORT	-	12,811							-	12,811
	DESTINATION TRANSPORTATION										
28	FIRST DESTINATION TRANSPORTATION	-	2,776							-	2,776
	TOTAL TORPEDOES AND RELATED EQUIPMENT		**163,893**		**-**		**-**		**-**		**163,893**
	OTHER WEAPONS										
	GUNS AND GUN MOUNTS										
29	SMALL ARMS AND WEAPONS	-	4,240							-	4,240
30	COAST GUARD WEAPONS	-	-							-	-
31	AIRBORNE MINE NEUTRALIZATION SYSTEMS	-	-							-	-
	MODIFICATION OF GUNS AND GUN MOUNTS										
32	CIWS MODS	-	41,448		9,000					-	50,448
	CIWS Block 1B Upgrade						9,000				
33	5/54 GUN MOUNT MODS	-	-							-	-
34	GUN MOUNT MODS	-	27,263							-	27,263
	OTHER										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
35	PIONEER	-	13,622							-	13,622
36	CANCELLED ACCOUNT ADJUSTMENTS	-	-							-	-
37	CANCELLED ACCOUNT ADJ (89)	-	-							-	-
	TOTAL OTHER WEAPONS		**86,573**		**9,000**		**9,000**		**-**		**95,573**
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
38	SPARES AND REPAIR PARTS	-	48,748							-	48,748
	TOTAL SPARES AND REPAIR PARTS		**48,748**		**-**		**-**		**-**		**48,748**
	TOTAL WEAPONS PROCUREMENT, NAVY		**1,991,821**		**538,000**		**538,000**		**-**		**2,529,821**

Items of Special Interest

Close-in weapon system (CIWS) block 1B upgrade

The budget request contained $41.4 million for CIWS modifications, all of which is for the CIWS block 1B upgrade.

The CIWS is a high-fire rate weapon system that automatically acquires, tracks and destroys anti-ship missiles that have penetrated all the other ship's defenses. The CIWS block 1B upgrade incorporates a thermal imager, to further improve anti-ship missile defense, and an automatic acquisition video tracker that provides the additional capability to engage small, high-speed maneuvering surface craft and low, slow aircraft and helicopters. The committee notes that the Department of the Navy plans to increase CIWS block 1B upgrade annual budgets by over 350 percent for fiscal years 2005 through 2009, and believes that, since this upgrade provides significant anti-terrorism and force protection capability, it should be accelerated in fiscal year 2004.

The committee recommends $50.4 million for CIWS modifications, an increase of $9.0 million to accelerate procurement of CIWS block 1B systems.

GQM–163A coyote supersonic sea skimming target

The budget request contained $70.7 million for procurement of Navy aerial targets, including $17.6 million for procurement of supersonic sea skimming targets (SSST).

The Navy is developing the GQM–163A Coyote SSST to replace the VANDAL SSST, which is now out of production and the supply of which is almost exhausted. The GQM–163A is a high-fidelity target that will replicate the performance of sophisticated anti-ship cruise missiles.

The committee recommends $85.7 million for procurement of Navy aerial targets, including an increase of $15.0 million to accelerate the procurement of the GQM–163A Coyote SSST.

Tomahawk missile

The budget request contained $277.6 million for 267 tactical tomahawk (TACTOM) missiles.

The Tomahawk missile is a long-range, precision-strike cruise missile launched from surface ships or submarines. The TACTOM missile will provide improved performance at a lower unit cost than previous missile versions. The existing maximum TACTOM production capacity is 450 missiles per year.

The committee notes that the Department of the Navy's programmed budget for Tomahawk missiles would result in an inventory that is significantly below the Navy's stated Tomahawk required inventory levels, and that recent Tomahawk missile expenditures, which have been in excess of 700 for Operation Iraqi Freedom, have exacerbated this shortfall. The committee also notes that the Emergency Wartime Supplemental Appropriations Act for Fiscal Year 2003 (Public Law 108–11) established a $15.7 billion Iraqi Freedom Fund to provide for additional expenses associated with the ongoing military operations in Iraq including the replacement of munitions. Additionally, the statement of the managers accompanying the conference report on H.R. 1559 (H. Rept. 108–76) specifically identified TACTOM missiles among those precision guided

munitions that should be procured from the funds provided. Since the committee believes that the Tomahawk missile shortage is severe and should be aggressively addressed in fiscal year 2003, it directs the Department of Defense to obligate at least $24.0 million from funds provided in the Iraqi Freedom Fund by Public Law 108–11 to increase TACTOM production capacity to 600 missiles per year and to obligate at least $336.0 million for an additional 300 TACTOMs. The committee understands that the additional TACTOMs can be delivered beginning in January 2005 with an associated production rate increase to 600 missiles per year beginning in November 2006.

To sustain TACTOM production at a rate of 600 missiles per year for fiscal year 2004, the committee recommends an increase of $336.0 million for an additional 333 TACTOM missiles.

The committee also believes that future wartime expenditures may require inventory replenishment rates up to 900 missiles per year. Accordingly, the committee recommends an increase of $40.0 million for further tooling and test equipment, and understands that a contract award in the second quarter of fiscal year 2004 would allow a 900-missile-per-year production capacity to be achieved by the second quarter of fiscal year 2006.

The committee recommends $653.6 million for the TACTOM missile, an increase of $376.0 million.

AMMUNITION PROCUREMENT, NAVY & MARINE CORPS

Overview

The budget request for fiscal year 2004 contained $922.4 million for Ammunition Procurement, Navy & Marine Corps. The committee recommends authorization of $963.4 million, an increase of $41.0 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Ammunition Procurement, Navy & Marine Corps program are identified in the table below. Major changes to the Navy & Marine Corps request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF AMMO, NAVY & MARINE CORPS										
	PROC AMMO, NAVY										
	NAVY AMMUNITION										
1	GENERAL PURPOSE BOMBS	-	164,105		20,000					-	184,105
	To be used only for Bomb Bodies to synchronize with PGM Kits						20,000				
2	JDAM	12,326	277,347							12,326	277,347
3	AIRBORNE ROCKETS, ALL TYPES	-	28,245							-	28,245
4	MACHINE GUN AMMUNITION	-	17,933							-	17,933
5	PRACTICE BOMBS	-	51,417							-	51,417
6	CARTRIDGES & CART ACTUATED DEVICES	-	26,374							-	26,374
7	AIRCRAFT ESCAPE ROCKETS	-	10,904							-	10,904
8	AIR EXPENDABLE COUNTERMEASURES	-	44,068							-	44,068
9	JATOS	-	4,627							-	4,627
10	5 INCH/54 GUN AMMUNITION	-	13,248							-	13,248
11	EXTENDED RANGE GUIDED MUNITIONS (ERGM)	-	3,776							-	3,776
12	76MM GUN AMMUNITION	-	1,226							-	1,226
13	OTHER SHIP GUN AMMUNITION	-	16,368							-	16,368
14	SMALL ARMS & LANDING PARTY AMMO	-	17,724							-	17,724
15	PYROTECHNIC AND DEMOLITION	-	10,469							-	10,469
16	MINE NEUTRALIZATION DEVICES	-	-							-	-
17	AMMUNITION LESS THAN $5 MILLION	-	2,173							-	2,173
18	CAWCF CLOSURE COSTS	-	-							-	-
	TOTAL PROC AMMO, NAVY		**690,004**		**20,000**		**20,000**		**-**		**710,004**
	PROC AMMO, MC										
	MARINE CORPS AMMUNITION										
19	5.56 MM, ALL TYPES	-	24,618		5,000					-	29,618
	M855 Lead Free round						5,000				
20	7.62 MM, ALL TYPES	-	6,351							-	6,351
21	LINEAR CHARGES, ALL TYPES	-	36,552							-	36,552
22	.50 CALIBER	-	10,218							-	10,218
23	40 MM, ALL TYPES	-	10,191							-	10,191

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
24	60 MM HE M888	-	-							-	-
25	60MM, ALL TYPES	-	6,064		6,000					-	12,064
	M720A1 HE round						6,000				
26	81MM, ALL TYPES	-	19,361							-	19,361
27	120MM, ALL TYPES	-	18,691							-	18,691
28	FUZE, ET, XM762	-	-							-	-
29	CTG 25MM, ALL TYPES	-	3,859							-	3,859
30	9 MM ALL TYPES	-	2,706							-	2,706
31	GRENADES, ALL TYPES	-	7,914							-	7,914
32	STINGER SLEP	-	-							-	-
33	ROCKETS, ALL TYPES	-	15,461							-	15,461
34	ARTILLERY, ALL TYPES	-	49,813		10,000					-	59,813
	M795 HE round						10,000				
35	AAAV	-	-							-	-
36	DEMOLITION MUNITIONS, ALL TYPES	-	3,752							-	3,752
37	FUZE, ALL TYPES	-	4,397							-	4,397
38	NON LETHALS	-	3,671							-	3,671
39	AMMO MODERNIZATION	-	7,116							-	7,116
40	ITEMS LESS THAN $5 MILLION	-	1,616							-	1,616
	TOTAL PROC. AMMO, MC		**232,351**		**21,000**		**21,000**		**-**		**253,351**
	TOTAL PROCUREMENT OF AMMUNITION, NAVY & MARINE CORPS		**922,355**		**41,000**		**41,000**		**-**		**963,355**

Items of Special Interest

Marine Corps ammunition procurement

The budget request contained $232.4 million for procurement of ammunition. The committee recommends $253.4 million, an increase of $21.0 million for the following types of ammunition, which were identified as top unfunded requirements by the Commandant of the Marine Corps for fiscal year 2004:

[In millions of dollars]

5.56mm, All Types:	
M855 lead-free	5.0
60mm, All Types:	
M720A1 HE	6.0
Artillery, All Types:	
155mm M795 HE	10.0

Navy ammunition procurement

The budget request contained $690.0 million for the procurement of conventional ammunition. The committee recommends $710.0 million, an increase of $20.0 million for the procurement of ammunition, which was a top unfunded requirement identified by the Chief of Naval Operations for fiscal year 2004:

[In millions of dollars]

General Purpose Bombs	20.0
(to be used only for the procurement of bomb bodies to synchronize with precision guided munitions kits)	

SHIPBUILDING AND CONVERSION, NAVY

Overview

The budget request for fiscal year 2004 contained $11,439.0 million for Shipbuilding and Conversion, Navy. The committee recommends authorization of $11,472.4 million, an increase of $33.4 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Shipbuilding and Conversion, Navy program are identified in the table below. Major changes to the Navy request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	SHIPBUILDING & CONVERSION, NAVY										
	OTHER WARSHIPS										
1	CARRIER REPLACEMENT PROGRAM	-	-							-	-
2	CARRIER REPLACEMENT PROGRAM	-	-							-	-
2	CARRIER REPLACEMENT PROGRAM	-	-							-	-
2	CARRIER REPLACEMENT PROGRAM	-	1,186,564							-	1,186,564
2	CARRIER REPLACEMENT PROGRAM	-	-							-	-
3	VIRGINIA CLASS SUBMARINE	1	2,152,235							1	2,152,235
3	VIRGINIA CLASS SUBMARINE	-	(640,300)							-	(640,300)
4	VIRGINIA CLASS SUBMARINE	-	-							-	-
4	VIRGINIA CLASS SUBMARINE	-	-							-	-
4	VIRGINIA CLASS SUBMARINE	-	-							-	-
4	VIRGINIA CLASS SUBMARINE	-	-							-	-
4	VIRGINIA CLASS SUBMARINE	-	266,147							-	266,147
4	VIRGINIA CLASS SUBMARINE	-	490,251							-	490,251
4	VIRGINIA CLASS SUBMARINE	-	129,887							-	129,887
4	VIRGINIA CLASS SUBMARINE	-	129,887							-	129,887
4	VIRGINIA CLASS SUBMARINE	-	-							-	-
4	VIRGINIA CLASS SUBMARINE	-	-							-	-
4	VIRGINIA CLASS SUBMARINE	-	-							-	-
5	SSGN CONVERSION	2	1,610,948							2	1,610,948
5	SSGN CONVERSION	-	(680,248)							-	(680,248)
6	SSGN CONVERSION	-	-							-	-
6	SSGN CONVERSION	-	-							-	-
6	SSGN CONVERSION	-	-							-	-
6	SSGN CONVERSION	-	-							-	-
6	SSGN CONVERSION	-	-							-	-
6	SSGN CONVERSION	-	236,600							-	236,600
7	CRUISER CONVERSION	1	259,125							1	259,125
7	CRUISER CONVERSION	-	(64,685)							-	(64,685)
8	CRUISER CONVERSION	-	-							-	-
9	CVN REFUELING OVERHAULS	-	-							-	-

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
9	CVN REFUELING OVERHAULS	-	-							-	-
10	CVN REFUELING OVERHAULS	-	-							-	-
10	CVN REFUELING OVERHAULS	-	-							-	-
10	CVN REFUELING OVERHAULS	-	367,832							-	367,832
11	SUBMARINE REFUELING OVERHAULS	-	3,110							-	3,110
11	SUBMARINE REFUELING OVERHAULS	-	(3,110)							-	(3,110)
12	SUBMARINE REFUELING OVERHAULS	-	-							-	-
12	SUBMARINE REFUELING OVERHAULS	-	-							-	-
12	SUBMARINE REFUELING OVERHAULS	-	-							-	-
12	SUBMARINE REFUELING OVERHAULS	-	-							-	-
12	SUBMARINE REFUELING OVERHAULS	-	-							-	-
12	SUBMARINE REFUELING OVERHAULS	-	-							-	-
12	SUBMARINE REFUELING OVERHAULS	-	76,351							-	76,351
12	SUBMARINE REFUELING OVERHAULS	-	88,021							-	88,021
12	SUBMARINE REFUELING OVERHAULS	-	-							-	-
12	SUBMARINE REFUELING OVERHAULS	-	-							-	-
13	DDG-51	3	3,328,998							3	3,328,998
13	DDG-51	-	(130,687)							-	(130,687)
13	DDG-51	-	-							-	-
14	DDG-51	-	-							-	-
14	DDG-51	-	-							-	-
	TOTAL OTHER WARSHIPS		**8,806,926**		**-**		**-**		**-**		**8,806,926**
	AMPHIBIOUS SHIPS										
15	LHD-1 AMPHIBIOUS ASSAULT SHIP	-	355,006							-	355,006
15	LHD-1 AMPHIBIOUS ASSAULT SHIP	-	-							-	-
16	LPD-17	1	1,364,400							1	1,364,400
16	LPD-17	-	(172,366)							-	(172,366)
17	LPD-17	-	-							-	-
	TOTAL AMPHIBIOUS SHIPS		**1,547,040**		**-**		**-**		**-**		**1,547,040**
	AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAM										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
18	LCU(X)	-	-							-	-
19	OUTFITTING	-	344,949							-	344,949
20	SERVICE CRAFT	-	31,480		3,000					-	34,480
	Yard Oiler						3,000				
21	LCAC SLEP	3	73,087	1	21,000	1	21,000			4	94,087
22	CANCELLED ACCOUNT ADJUSTMENTS	-	-							-	-
23	MINE HUNTER	-	-	2	9,400					2	9,400
	Minehunter SWATH					2	9,400				
24	COMPLETION OF PY SHIPBUILDING PROGRAMS	-	635,502							-	635,502
	TOTAL AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAMS		**1,085,018**		**33,400**		**33,400**		**-**		**1,118,418**
	TOTAL SHIPBUILDING & CONVERSION, NAVY		**11,438,984**		**33,400**		**33,400**		**-**		**11,472,384**

Items of Special Interest

Landing craft air cushion (LCAC) service life extension program (SLEP)

The budget request contained $73.1 million for three LCAC SLEPs.

The LCAC is the only surface platform that can provide high-speed, heavy lift for Marine Corps amphibious operations from over-the-horizon. The SLEP, which includes hull, engine and communications upgrades, would extend the LCAC's service life from twenty years to thirty years. The committee understands that an annual quantity of three LCAC SLEPs is one less than the minimum production sustainment level and that production of four LCAC SLEPs in fiscal year 2004 would prevent a production line break. The committee believes that uninterrupted production is critical to a cost-effective LCAC SLEP program.

The committee recommends $94.1 million, an increase of $21.0 million for the procurement of one additional LCAC SLEP.

Minehunter small waterplane area twin hull (SWATH) boats

The budget request contained no funds for procurement of second generation Minehunter SWATH boats or for their associated mine countermeasures equipment suites.

The Minehunter SWATH boat is a 40-foot, twin-hull vessel that can operate in very shallow water with increased stability in rough seas compared to a similar size mono hull ship. The second generation Minehunter SWATH boat will be capable of remote operation, greatly reducing manning requirements. The Navy's mine hunting fleet includes one Minehunter SWATH boat, which is its only surface mine warfare vessel capable of operating in very shallow water or capable of transport by C–5 aircraft for operational deployment within 24 hours. The committee believes that the capability to provide prompt mine hunting support to United States harbors is critical to the homeland security mission.

The committee recommends an increase of $9.4 million for the procurement of two second generation Minehunter SWATH boats and their associated mine countermeasures equipment suites.

OTHER PROCUREMENT, NAVY

Overview

The budget request for fiscal year 2004 contained $4,679.4 million for Other Procurement, Navy. The committee recommends authorization of $4,614.9 million, a decrease of $64.6 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Other Procurement, Navy program are identified in the table below. Major changes to the Navy request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	OTHER PROCUREMENT, NAVY										
	SHIPS SUPPORT EQUIPMENT										
	SHIP PROPULSION EQUIPMENT										
1	LM-2500 GAS TURBINE	-	10,664							-	10,664
2	ALLISON 501K GAS TURBINE	-	12,910							-	12,910
	PROPELLERS										
3	SUBMARINE PROPELLERS	-	-							-	-
	NAVIGATION EQUIPMENT										
4	OTHER NAVIGATION EQUIPMENT	-	15,130							-	15,130
	UNDERWAY REPLENISHMENT EQUIPMENT										
5	UNDERWAY REPLENISHMENT EQUIPMENT	-	1,398							-	1,398
	PERISCOPES										
6	SUB PERISCOPES & IMAGING EQUIP	-	33,391							-	33,391
	OTHER SHIPBOARD EQUIPMENT										
7	FIREFIGHTING EQUIPMENT	-	22,015							-	22,015
8	COMMAND AND CONTROL SWITCHBOARD	-	4,102							-	4,102
9	POLLUTION CONTROL EQUIPMENT	-	50,392							-	50,392
10	SUBMARINE SUPPORT EQUIPMENT	-	8,830							-	8,830
11	VIRGINIA CLASS SUPPORT EQUIPMENT	-	-							-	-
12	SUBMARINE BATTERIES	-	11,471							-	11,471
13	STRATEGIC PLATFORM SUPPORT EQUIP	-	26,660							-	26,660
14	DSSP EQUIPMENT	-	27,493							-	27,493
15	LCAC	-	10,627							-	10,627
16	MINESWEEPING EQUIPMENT	-	13,592							-	13,592
17	ITEMS LESS THAN $5 MILLION	-	124,214		3,000					-	127,214
	Fuel and Engine Maintenance Savings System						3,000				
18	CHEMICAL WARFARE DETECTORS	-	-							-	-
19	SUBMARINE LIFE SUPPORT SYSTEM	-	14,591							-	14,591
	REACTOR PLANT EQUIPMENT										
20	REACTOR POWER UNITS	-	333,107							-	333,107
21	REACTOR COMPONENTS	-	211,030							-	211,030
	OCEAN ENGINEERING										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
22	DIVING AND SALVAGE EQUIPMENT	-	7,258							-	7,258
	SMALL BOATS										
23	STANDARD BOATS	-	53,913							-	53,913
	TRAINING EQUIPMENT										
24	OTHER SHIPS TRAINING EQUIPMENT	-	8,115							-	8,115
	PRODUCTION FACILITIES EQUIPMENT										
25	OPERATING FORCES IPE	-	5,499		8,000					-	13,499
	Expeditionary Maintence Facility						8,000				
	OTHER SHIP SUPPORT										
26	NUCLEAR ALTERATIONS	-	128,441							-	128,441
	DRUG INTERDICTION SUPPORT										
27	DRUG INTERDICTION SUPPORT	-	-							-	-
	TOTAL SHIPS SUPPORT EQUIPMENT		**1,134,843**		**11,000**		**11,000**		**-**		**1,145,843**
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	SHIP RADARS										
28	RADAR SUPPORT	-	-							-	-
29	TISS	-	-							-	-
	SHIP SONARS										
30	SPQ-9B RADAR	-	9,739		19,800					-	29,539
	Shipboard Radar Transmitter						19,800				
31	AN/SQQ-89 SURF ASW COMBAT SYSTEM	-	-							-	-
32	SSN ACOUSTICS	-	265,423							-	265,423
33	UUV PROGRAM	-	-							-	-
34	UNDERSEA WARFARE SUPPORT EQUIPMENT	-	5,758							-	5,758
35	SONAR SWITCHES AND TRANSDUCERS	-	13,644							-	13,644
	ASW ELECTRONIC EQUIPMENT										
36	SUBMARINE ACOUSTIC WARFARE SYSTEM	-	24,631		3,000					-	27,631
	Acoustic Intercept Improvement						3,000				
37	SURFACE SHIP TORPEDO DEFENSE (SSTD)	-	11,277							-	11,277
38	ADVANCE DEPLOYABLE SYSTEM	-	-							-	-
39	FIXED SURVEILLANCE SYSTEM	-	46,360							-	46,360

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
40	SURTASS	-	15,228							-	15,228
41	ASW OPERATIONS CENTER	-	6,516							-	6,516
	ELECTRONIC WARFARE EQUIPMENT										
42	AN/SLQ-32	-	19,429							-	19,429
43	INFORMATION WARFARE SYSTEMS	-	4,191							-	4,191
	RECONNAISSANCE EQUIPMENT										
44	SHIPBOARD IW EXPLOIT	-	123,267							-	123,267
	SUBMARINE SURVEILLANCE EQUIPMENT										
45	SUBMARINE SUPPORT EQUIPMENT PROG	-	71,411							-	71,411
	OTHER SHIP ELECTRONIC EQUIPMENT										
46	NAVY TACTICAL DATA SYSTEM	-	-		6,500		6,500			-	6,500
47	COOPERATIVE ENGAGEMENT CAPABILITY	-	62,845							-	62,845
48	GCCS-M EQUIPMENT	-	52,398							-	52,398
49	NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)	-	52,594							-	52,594
50	ADVANCED TACTICAL DATA LINK (ATDLS)	-	16,197							-	16,197
51	MINESWEEPING SYSTEM REPLACEMENT	-	18,324							-	18,324
52	NAVSTAR GPS RECEIVERS (SPACE)	-	15,674							-	15,674
53	ARMED FORCES RADIO AND TV	-	4,194							-	4,194
54	STRATEGIC PLATFORM SUPPORT EQUIP	-	8,560							-	8,560
	TRAINING EQUIPMENT										
55	OTHER SPAWAR TRAINING EQUIPMENT	-	-							-	-
56	OTHER TRAINING EQUIPMENT	-	50,542							-	50,542
	AVIATION ELECTRONIC EQUIPMENT										
57	MARINE AIR TRAFFIC CONTROL (MATCALS)	-	15,629							-	15,629
58	SHIPBOARD AIR TRAFFIC CONTROL	-	7,860							-	7,860
59	AUTOMATIC CARRIER LANDING SYSTEM	-	17,493							-	17,493
60	NATIONAL AIR SPACE SYSTEM	-	30,095							-	30,095
61	AIR STATION SUPPORT EQUIPMENT	-	7,633							-	7,633
62	MICROWAVE LANDING SYSTEM	-	-							-	-
63	FACSFAC	-	4,337							-	4,337
64	ID SYSTEMS	-	21,829							-	21,829
65	NAVAL MISSION PLANNING SYSTEMS	-	8,639							-	8,639

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	OTHER SHORE ELECTRONIC EQUIPMENT										
66	DEPLOYABLE JOINT COMMAND AND CONT	-	46,551		(46,551)				(46,551)	-	-
67	TADIX-B	-	-							-	-
68	NAVAL SPACE SURVEILLANCE SYSTEM	-	-							-	-
69	DIMHRS	-	5,512							-	5,512
70	COMMON IMAGERY GROUND SURFACE SYSTEMS	-	60,600							-	60,600
71	RADIAC	-	8,600							-	8,600
72	GPETE	-	10,006							-	10,006
73	INTEG COMBAT SYSTEM TEST FACILITY	-	8,726							-	8,726
74	EMI CONTROL INSTRUMENTATION	-	6,469							-	6,469
75	ITEMS LESS THAN $5 MILLION	-	15,420		4,000					-	19,420
	Law Enforcement Information Exchange (LINX)						4,000				
	SHIPBOARD COMMUNICATIONS										
76	SHIPBOARD TACTICAL COMMUNICATIONS / JTRS	-	49,430							-	49,430
77	SHIP COMMUNICATIONS AUTOMATION	-	175,087							-	175,087
78	COMMUNICATIONS ITEMS UNDER $5M	-	25,213							-	25,213
	SUBMARINE COMMUNICATIONS										
79	SHORE LF/VLF COMMUNICATIONS	-	16,591							-	16,591
80	SUBMARINE COMMUNICATION EQUIPMENT	-	104,935							-	104,935
	SATELLITE COMMUNICATIONS										
81	SATELLITE COMMUNICATIONS SYSTEMS	-	257,388							-	257,388
	SHORE COMMUNICATIONS										
82	JCS COMMUNICATIONS EQUIPMENT	-	3,939							-	3,939
83	ELECTRICAL POWER SYSTEMS	-	1,437							-	1,437
84	NSIPS / IT	-	363							-	363
85	JEDMICS / IT	-	-							-	-
86	NAVAL SHORE COMMUNICATIONS	-	75,336							-	75,336
	CRYPTOGRAPHIC EQUIPMENT										
87	INFO SYSTEMS SECURITY PROGRAM (ISSP)	-	81,938							-	81,938
	CRYPTOLOGIC EQUIPMENT										
88	CRYPTOLOGIC COMMUNICATIONS EQUIP	-	24,739							-	24,739
	OTHER ELECTRONIC SUPPORT										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
89	COAST GUARD EQUIPMENT	-	12,582							-	12,582
	DRUG INTERDICTION SUPPORT										
90	OTHER DRUG INTERDICTION SUPPORT	-	-							-	-
	TOTAL COMMUNICATIONS AND ELECTRONICS EQUIPMENT		**2,002,579**		**(13,251)**		**33,300**		**(46,551)**		**1,989,328**
	AVIATION SUPPORT EQUIPMENT										
	SONOBUOYS										
91	SONOBUOYS - ALL TYPES	-	85,632							-	85,632
	AIRCRAFT SUPPORT EQUIPMENT										
92	WEAPONS RANGE SUPPORT EQUIPMENT	-	30,981							-	30,981
93	EXPEDITIONARY AIRFIELDS	-	7,569							-	7,569
94	AIRCRAFT REARMING EQUIPMENT	-	11,850							-	11,850
95	AIRCRAFT LAUNCH & RECOVERY EQUIPMENT	-	20,277							-	20,277
96	METEOROLOGICAL EQUIPMENT	-	25,658							-	25,658
97	OTHER PHOTOGRAPHIC EQUIPMENT	-	1,775							-	1,775
98	AVIATION LIFE SUPPORT	-	27,749							-	27,749
99	AIRBORNE MINE COUNTERMEASURES	-	13,624		10,000					-	23,624
	Mk-105 Influence Mine Sweeping System						10,000				
100	LAMPS MK III SHIPBOARD EQUIPMENT	-	22,537							-	22,537
101	OTHER AVIATION SUPPORT EQUIPMENT	-	4,969							-	4,969
	TOTAL AVIATION SUPPORT EQUIPMENT		**252,621**		**10,000**		**10,000**		**-**		**262,621**
	ORDNANCE SUPPORT EQUIPMENT										
	SHIP GUN SYSTEM EQUIPMENT										
102	GUN FIRE CONTROL EQUIPMENT	-	-							-	-
103	NAVAL FIRES CONTROL SYSTEM	-	4,301		4,700		4,700			-	9,001
104	MK98-NIGHT VISION DEVICES	-	12,638							-	12,638
	SHIP MISSILE SYSTEMS EQUIPMENT										
105	NATO SEASPARROW	-	32,797							-	32,797
106	RAM GMLS	-	31,300							-	31,300
107	SHIP SELF DEFENSE SYSTEM	-	58,089							-	58,089
108	AEGIS SUPPORT EQUIPMENT	-	105,227							-	105,227

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
109	SURFACE TOMAHAWK SUPPORT EQUIPMENT	-	63,423							-	63,423
110	SUBMARINE TOMAHAWK SUPPORT EQUIP	-	5,786							-	5,786
111	VERTICAL LAUNCH SYSTEMS	-	7,875							-	7,875
	FBM SUPPORT EQUIPMENT										
112	STRATEGIC PLATFORM SUPPORT EQUIP	-	-							-	-
113	STRATEGIC MISSILE SYSTEMS EQUIP	-	103,874							-	103,874
	ASW SUPPORT EQUIPMENT										
114	SSN COMBAT CONTROL SYSTEMS	-	68,032							-	68,032
115	SUBMARINE ASW SUPPORT EQUIPMENT	-	4,951							-	4,951
116	SURFACE ASW SUPPORT EQUIPMENT	-	4,780							-	4,780
117	ASW RANGE SUPPORT EQUIPMENT	-	7,275							-	7,275
	OTHER ORDNANCE SUPPORT EQUIPMENT										
118	EXPLOSIVE ORDNANCE DISPOSAL EQUIP	-	8,083							-	8,083
119	ITEMS LESS THAN $5 MILLION	-	4,726							-	4,726
	OTHER EXPENDABLE ORDNANCE										
120	ANTI-SHIP MISSILE DECOY SYSTEM	-	44,757							-	44,757
121	SURFACE TRAINING DEVICE MODS	-	7,352							-	7,352
122	SUBMARINE TRAINING DEVICE MODS	-	25,150							-	25,150
	TOTAL ORDNANCE SUPPORT EQUIPMENT		**600,416**		**4,700**		**4,700**		**-**		**605,116**
	CIVIL ENGINEERING SUPPORT EQUIPMENT										
123	ARMORED SEDANS	-	-							-	-
124	PASSENGER CARRYING VEHICLES	-	2,305							-	2,305
125	GENERAL PURPOSE TRUCKS	-	1,472							-	1,472
126	CONSTRUCTION & MAINTENANCE EQUIP	-	19,721							-	19,721
127	FIRE FIGHTING EQUIPMENT	-	8,834							-	8,834
128	TACTICAL VEHICLES	-	38,745							-	38,745
129	AMPHIBIOUS EQUIPMENT	-	4,251							-	4,251
130	POLLUTION CONTROL EQUIPMENT	-	5,007							-	5,007
131	ITEMS UNDER $5 MILLION	-	13,608							-	13,608
132	PHYSICAL SECURITY VECHICLES	-	943							-	943
	TOTAL CIVIL ENGINEERING SUPPORT EQUIPMENT		**94,886**		**-**		**-**		**-**		**94,886**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	SUPPLY SUPPORT EQUIPMENT										
	SUPPLY SUPPORT EQUIPMENT										
133	MATERIALS HANDLING EQUIPMENT	-	15,053							-	15,053
134	OTHER SUPPLY SUPPORT EQUIPMENT	-	13,883		6,000					-	19,883
	Serial number tracking system						6,000				-
135	FIRST DESTINATION TRANSPORTATION	-	5,197							-	5,197
136	SPECIAL PURPOSE SUPPLY SYSTEMS	-	75,571							-	75,571
	TOTAL SUPPLY SUPPORT EQUIPMENT		**109,704**		**6,000**		**6,000**		**-**		**115,704**
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT										
	TRAINING DEVICES										
137	TRAINING SUPPORT EQUIPMENT	-	2,532							-	2,532
	COMMAND SUPPORT EQUIPMENT										
138	COMMAND SUPPORT EQUIPMENT	-	60,688							-	60,688
139	EDUCATION SUPPORT EQUIPMENT	-	7,786							-	7,786
140	MEDICAL SUPPORT EQUIPMENT	-	9,511							-	9,511
141	INTELLIGENCE SUPPORT EQUIPMENT	-	21,148							-	21,148
142	OPERATING FORCES SUPPORT EQUIPMENT	-	9,219							-	9,219
143	MOBILE SENSOR PLATFORM	-	35,899							-	35,899
144	ENVIRONMENTAL SUPPORT EQUIPMENT	-	15,349							-	15,349
145	PHYSICAL SECURITY EQUIPMENT	-	74,626		17,000					-	91,626
	Non-Lethal Swimmer Detection Systems						17,000				
	PRODUCTIVITY PROGRAMS										
146	JUDGEMENT FUND REIMBURSEMENT	-	-							-	-
	OTHER										
147	CANCELLED ACCOUNT ADJUSTMENTS	-	-							-	-
148	CANCELLED ACCOUNT ADJUSTMENT (88)	-	-							-	-
	TOTAL PERSONNEL AND COMMAND SUPPORT EQUIPMENT		**236,758**		**17,000**		**17,000**		**-**		**253,758**
	SPARES AND REPAIR PARTS										
149	SPARES AND REPAIR PARTS	-	247,636							-	247,636

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	TOTAL SPARES AND REPAIR PARTS		**247,636**		**-**		**-**		**-**		**247,636**
	Information Technology General Reduction				(100,000)				(100,000)		(100,000)
	TOTAL OTHER PROCUREMENT, NAVY		**4,679,443**		**(64,551)**		**82,000**		**(146,551)**		**4,614,892**

Items of Special Interest

Fuel and engine maintenance savings system (FEMSS)

The budget request included no funds for FEMSS. The committee understands that the request for fiscal year 2004 has been slipped to 2006.

The FEMSS has demonstrated a savings of more than $200,000 per ship per year in fuel and maintenance costs, paying for itself in five years.

The committee recommends an authorization of $3.0 million to procure three ship sets of FEMMS for the procurement and installation of FEMS on three LSD 41/49 class of ships.

Law enforcement information exchange

The budget request contained $15.4 million for items less than $5.0 million, but contained no funding for the Law Enforcement Information Exchange system. This system would allow the Naval Criminal Investigation Service to share law enforcement information with other federal, state, and local law enforcement agencies to detect and deter terrorist activities.

The committee recommends $19.4 million for items less than $5.0 million, an increase of $4.0 million.

Naval fires control system (NFCS)

The budget request contained $4.3 million for the procurement of the NFCS, however, no funds were requested for the Littoral Surveillance System (LSS).

The LSS is a high mobility multipurpose wheeled vehicle-based node within the Joint Fires Network which provides intelligence, surveillance, reconnaissance, and targeting from imagery, signals, and measurement/signature intelligence data. The LSS receives its data from both manned and unmanned aircraft and unmanned ground, underwater and space-based sensors. The committee notes that the Chief of Naval Operations has identified a fiscal year 2004 unfunded requirement of $14.7 million for LSS hardware, software, and communications upgrades, which would make LSS units 1 and 2 fully operational. The committee is supportive of networked fire support that will provide targeting data and solutions for naval and joint assets to employ precision guided munitions in support of time critical strike and time sensitive targeting missions.

The committee recommends $9.0 million for NFCS, an increase of $4.7 million, for LSS hardware, software, and communications upgrades to make LSS units 1 and 2 fully operational.

Navy tactical data systems

The budget request contained no funds for Navy tactical data systems.

The committee is aware of the high cost of replacing peripheral sub systems and equipment in the front line Aegis platforms that are currently globally deployed. Obsolescing equipment used to load programs into the Aegis weapons system are incurring high maintenance costs as they continue to be utilized beyond their anticipated life cycles. Digital support equipment based on commercial-off-the-shelf technologies would significantly reduce maintenance costs and would increase weapons systems availability.

The committee recommends $6.5 million for Navy tactical data systems to replace Aegis Combat System peripheral equipment.

Non-lethal swimmer detection systems

The budget request contained $74.6 million for physical security equipment, but included no funds for non-lethal swimmer detection systems.

Non-lethal swimmer detection systems include a variety of new technologies and systems that provide shipboard force protection for pier side or anchored Navy ships, when they are most vulnerable to submerged swimmer threats. The committee understands that the Navy does not have any non-lethal swimmer detection capability for its ships at pier side or at anchorage, and that non-lethal swimmer detections systems would automate the detection and identification of underwater threats, allowing the ship's crew to take the necessary actions to prevent the placement of underwater devices intended to cause damage to a ship or injury to its crew.

To address this shortfall, the committee notes that the Chief of Naval Operations included non-lethal swimmer detection systems among his top four unfunded priorities for fiscal year 2003.

The committee recommends $91.6 million for physical security systems, an increase of $17.0 million for non-lethal swimmer detection systems.

Operating forces industrial plant equipment

The budget request contained $5.5 million for operating forces industrial plant equipment, but included no funds for expeditionary maintenance facilities (EMF).

The committee is aware that the Navy has decommissioned the majority of its repair tenders to include all tenders associated with surface combatant repair. This significantly impacts the ability of the Navy to repair and perform depot level maintenance for forward deployed fleet units. The committee is aware of the capabilities imbedded in the expeditionary maintenance facilities (EMF) in that the EMF is air transportable, modular and capable of being configured to meet specific requirements based on deployment geography. The committee is also aware that this system can be deployed within 72 hours to any theater of operations where repair and maintenance support is needed. The committee believes that the EMF concept will enhance forward deployed repair requirements.

The committee recommends $13.5 million for operating forces industrial plant equipment, an increase of $8.0 million, for procurement of two EMF sets.

Other supply support equipment

The budget request contained $13.9 million for the procurement of other supply support equipment, of which no funds were allocated for the automatic identification technology (AIT) in support of the serial number tracking system (SNTS).

The SNTS uses commercial AIT to provide web-based, cradle-to-grave, total asset visibility on individual components throughout the supply, maintenance, and transportation transfer process within the Naval and Marine Corps aviation depots and enhances the

maintenance, remanufacture, and rebuild process of Navy and Marine Corps aircraft. The committee believes that streamlining business processes, such as SNTS, can be readily achieved by implementing AIT and has recommended increases for this technology for maintenance and ammunition tracking systems for other military services in prior fiscal years.

The committee recommends $19.9 million for other supply support equipment, an increase of $6.0 million for the SNTS.

Radar support

The budget request contained $9.7 million for procurement of one A/N–SPQ–9B Radar. The A/N–SPQ–9B radar is designed to provide early and reliable detection of sea skimming missiles so that they can be tracked, targeted, and neutralized. This expanded capability is added with no degradation to the original function of highly accurate surface gunfire support and navigation utilization. The committee believes that the anti-sea skimming mission is vital to the defensive capabilities of ships operating in the near coast and littoral areas of the maritime environment.

The committee recommends $29.5 million for upgrades to the remaining 20 fleet radar sets, an increase of $19.8 million.

PROCUREMENT, MARINE CORPS

Overview

The budget request for fiscal year 2004 contained $1,071.0 million for Procurement, Marine Corps. The committee recommends authorization of $1,154.3 million, an increase of $83.3 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Procurement, Marine Corps program are identified in the table below. Major changes to the Marine Corps request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT, MARINE CORPS										
	WEAPONS AND COMBAT VEHICLES										
	TRACKED COMBAT VEHICLES										
1	AAV7A1 PIP	-	11,297		25,000					-	36,297
	AAV RAM/RS						25,000				
2	AAAV	-	97,915							-	97,915
3	LAV PIP	-	13,191		12,700					-	25,891
	LAV RAM						12,700				
4	IMPROVED RECOVERY VEHICLE (IRV)	-	3,650							-	3,650
5	MODIFICATION KITS (TRKD VEH)	-	6,757							-	6,757
6	M1A1 FIREPOWER ENHANCEMENTS	-	4,222							-	4,222
	ARTILLERY AND OTHER WEAPONS										
7	HIMARS	1	17,954							1	17,954
8	155MM LIGHTWEIGHT TOWED HOWITZER	60	111,489							60	111,489
9	MOD KITS (ARTILLERY)	-	3,305							-	3,305
10	MARINE ENHANCEMENT PROGRAM	-	6,898							-	6,898
11	WEAPONS AND COMBAT VEHICLES UNDER $5 MILLION	-	4,977		8,100					-	13,077
	Additional M249 Squad Automatic Weapons						8,100				
	WEAPONS										
12	MODULAR WEAPON SYSTEM	-	13,712							-	13,712
	OTHER SUPPORT										
13	OPERATIONS OTHER THAN WAR	-	1,349							-	1,349
	TOTAL WEAPONS AND COMBAT VEHICLES		**296,716**		**45,800**		**45,800**		**-**		**342,516**
	GUIDED MISSILES AND EQUIPMENT										
	GUIDED MISSILES										
14	EADS MOD	-	1,996							-	1,996
15	JAVELIN	-	-							-	-
16	PEDESTAL MOUNTED STINGER (PMS) (MYP)	-	817							-	817
17	HIMARS ROCKETS	-	-							-	-
18	PREDATOR (SRAW)	526	36,398							526	36,398
	OTHER SUPPORT										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
19	MODIFICATION KITS	-	587							-	587
	TOTAL GUIDED MISSILES AND EQUIPMENT		**39,798**		**-**		**-**		**-**		**39,798**
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	VEHICLE MOUNTED RADIOS AND EQUIPMENT										
20	SMALL UNIT REMOTE SCOUTING SYSTEM	-	2,058							-	2,058
	COMMAND AND CONTROL SYSTEMS										
21	UNIT OPERATIONS CENTER	-	29,225							-	29,225
22	GLOBAL COMBAT SUPPORT SYSTEM	-	13,548							-	13,548
23	MULTIPLE ROLE RADAR SYSTEM	-	1,633							-	1,633
24	JOINT TACTICAL RADIO SYSTEMS	-	13,919							-	13,919
25	TRANSITION SWITCH MODULE	-	23,072							-	23,072
26	COMPLIMENTARY LOW ALTITUDE WEAPON	-	-							-	-
	REPAIR AND TEST EQUIPMENT										
27	AUTO TEST EQUIP SYS	-	20,462							-	20,462
28	GENERAL PURPOSE ELECTRONIC TEST EQUIP.	-	8,369							-	8,369
	RADAR + EQUIPMENT (NON-TEL)										
29	RADAR SET AN/TPS-59	-	18,211							-	18,211
	INTELL/COMM EQUIPMENT (NON-TEL)										
30	TACTICAL REMOTE SENSOR SYSTEM	-	9,476							-	9,476
31	INTELLIGENCE SUPPORT EQUIPMENT	-	12,476							-	12,476
32	MOD KITS (INTEL)	-	7,856							-	7,856
33	ITEMS UNDER $5 MILLION (INTELL)	-	-							-	-
	REPAIR AND TEST EQUIPMENT (NON-TEL)										
34	GENERAL PURPOSE MECHANICAL TMDE	-	13,215							-	13,215
	OTHER COMM/ELEC EQUIPMENT (NON-TEL)										
35	NIGHT VISION EQUIPMENT	-	24,428		10,400					-	34,828
	AN/PVS-14 Monocular Night Vision Device						5,400				
	AN/PVS-17 Miniature Night Sights						5,000				
	OTHER SUPPORT (NON-TEL)										
36	ITEMS UNDER $5 MILLION (COMM & ELEC)	-	463							-	463
37	COMMON COMPUTER RESOURCES	-	61,514							-	61,514

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
38	COMMAND POST SYSTEMS	-	9,316							-	9,316
39	RADIO SYSTEMS	-	10,633		9,600					-	20,233
	AN/PRC-148 Tactical Hand Held Radios						9,600				
40	COMM SWITCHING & CONTROL SYSTEMS	-	19,252							-	19,252
41	COMM & ELEC INFRASTRUCTURE SUPPORT	-	24,360							-	24,360
42	MOD KITS MAGTF C41	-	20,786							-	20,786
43	AIR OPERATIONS C2 SYSTEMS	-	10,790							-	10,790
44	INTELLIGENCE C2 SYSTEMS	-	3,626							-	3,626
45	FIRE SUPPORT SYSTEM	-	28,444							-	28,444
	TOTAL COMMUNICATIONS AND ELECTRONICS EQUIPMENT		**387,132**		**20,000**		**20,000**		**-**		**407,132**
	SUPPORT VEHICLES										
	ADMINISTRATIVE VEHICLES										
46	COMMERCIAL PASSENGER VEHICLES	30	963							30	963
47	COMMERCIAL CARGO VEHICLES	-	10,278							-	10,278
	TACTICAL VEHICLES										
48	5/4T TRUCK HMMWV (MYP)	1,738	124,548							1,738	124,548
49	MEDIUM TACTICAL VEHICLE REPLACEMENT	-	4,611							-	4,611
50	LOGISTICS VEHICLE SYSTEM REP	-	3,386							-	3,386
51	FAMILY OF TACTICAL TRAILERS	-	-							-	-
	OTHER SUPPORT										
52	ITEMS LESS THAN $5 MILLION	-	4,027							-	4,027
	TOTAL SUPPORT VEHICLES		**147,813**		**-**		**-**		**-**		**147,813**
	ENGINEER AND OTHER EQUIPMENT										
53	ENVIRONMENTAL CONTROL EQUIP ASSORT	-	2,724							-	2,724
54	COMBAT BREACHER VEHICLE	-	-							-	-
55	BULK LIQUID EQUIPMENT	-	15,812							-	15,812
56	TACTICAL FUEL SYSTEMS	-	5,067							-	5,067
57	DEMOLITION SUPPORT SYSTEMS	-	2,041							-	2,041
58	POWER EQUIPMENT ASSORTED	-	12,982							-	12,982
59	FAMILY OF EOD EQUIPMENT	-	4,608							-	4,608

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
60	BRIDGE BOATS	-	10,760							-	10,760
	MATERIALS HANDLING EQUIPMENT										
61	COMMAND SUPPORT EQUIPMENT	-	-							-	-
62	AMPHIBIOUS RAID EQUIPMENT	-	21,404							-	21,404
63	PHYSICAL SECURITY EQUIPMENT	-	5,064							-	5,064
64	GARRISON MOBILE ENGR EQUIP	-	10,742							-	10,742
65	MATERIAL HANDLING EQUIP	-	27,885							-	27,885
66	FIRST DESTINATION TRANSPORTATION	-	8,091							-	8,091
	GENERAL PROPERTY										
67	FIELD MEDICAL EQUIPMENT	-	1,975							-	1,975
68	TRAINING DEVICES	-	19,988		8,000					-	27,988
	Battle Effects Simulators						4,000				
	Common Range Instrumentation System						4,000				
69	CONTAINER FAMILY	-	5,150							-	5,150
70	FAMILY OF CONSTRUCTION EQUIPMENT	-	14,380							-	14,380
71	FAMILY OF INTERNALLY TRANSPORTABLE VEH (ITV)	-	-							-	-
72	RAPID DEPLOYABLE KITCHEN	-	-							-	-
	OTHER SUPPORT										
73	FAMILY OF INCIDENT RESPONSE	-	3,447							-	3,447
74	MODIFICATION KITS	-	2,597							-	2,597
75	ITEMS LESS THAN $5 MILLION	-	5,206		9,500					-	14,706
	6T/NATO Equivalent Absorbed Glass Mat Batteries						9,500				
76	CANCELLED ACCOUNT ADJUSTMENT (M)	-	-							-	-
	TOTAL ENGINEER AND OTHER EQUIPMENT		**179,923**		**17,500**		**17,500**		**-**		**197,423**
	SPARES AND REPAIR PARTS										
77	SPARES AND REPAIR PARTS	-	19,617							-	19,617
	TOTAL SPARES AND REPAIR PARTS		**19,617**		**-**		**-**		**-**		**19,617**
	TOTAL PROCUREMENT, MARINE CORPS		**1,070,999**		**83,300**		**83,300**		**-**		**1,154,299**

Items of Special Interest

Night vision equipment

The budget request contained $24.4 million to procure night vision equipment, but included no funds to procure either AN/PVS–14 night vision goggles or AN/PVS–17 miniature night sights.

The AN/PVS–14 is a state-of-the-art, lightweight, helmet-mounted, image-intensification, monocular night vision device used by light forces for night visual enhancement and situational awareness.

The AN/PVS–17 is a lightweight, rifle-mounted, generation III, image intensification night vision sight that replaces obsolete, post-Vietnam era AN/PVS–4 sights.

The committee notes that the Commandant of the Marine Corps has identified fiscal year 2004 unfunded requirements of $5.4 million to procure additional AN/PVS–14 monocular night vision devices, and $10.5 million for additional AN/PVS–17 night vision sights. In support of the Commandant of the Marine Corps unfunded requirements and consistent with prior year actions, the committee continues to recognize the increased benefits of night vision technology.

The committee recommends $34.8 million for night vision equipment, an increase of $5.4 million for AN/PVS–14 monocular night vision devices and an increase of $5.0 million for AN/PVS–17 miniature night vision sights, for a total increase of $10.4 million.

Radio systems

The budget request contained $10.6 million to procure radio systems, but included no funds to procure AN/PRC–148 Tactical Hand Held Radios (THHR) for the Marine Corps Reserve.

The AN/PRC–148 THHR is a multi-band, secure voice and data radio that provides Marine reconnaissance teams and squad/platoon-size units with a lightweight, standardized, maintainable communications capability that is interoperable with numerous Department of Defense legacy communications radios. The committee notes that the Commandant of the Marine Corps has identified a fiscal year 2004 unfunded requirement for AN/PRC–148 THHRs.

The committee recommends $20.2 million for radio systems, an increase of $9.6 million, for both active and reserve Marine Corps forces.

Weapons and combat vehicles under $5.0 million

The budget request contained $5.0 million for the procurement of weapons and combat vehicles under $5.0 million, of which $3.1 million was for the procurement of the M249 squad automatic weapon (SAW). The M249 SAW is a lightweight machine gun capable of delivering a sustained volume of automatic, accurate, and highly lethal fire up to 800 meters in range. The committee notes that this has been one of the infantry's critical weapon systems in both Operations Enduring Freedom and Iraqi Freedom. Further, the committee notes that the Commandant of the Marine Corps has identified a $8.1 million fiscal year 2004 unfunded requirement to alleviate an increasing failure rate of currently fielded weapons.

The committee recommends $13.1 million for procurement of weapons and combat vehicles under $5.0 million, an increase of $8.1 million to replace obsolete M249 SAWs.

AIRCRAFT PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2004 contained $12,079.4 million for Aircraft Procurement, Air Force. The committee recommends authorization of $12,604.5 million, an increase of $525.1 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Aircraft Procurement, Air Force program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	AIRCRAFT PROCUREMENT, AIR FORCE										
	COMBAT AIRCRAFT										
	TACTICAL FORCES										
1	JOINT STRIKE FIGHTER	-	-							-	-
2	JOINT STRIKE FIGHTER	-	-							-	-
3	F-22 RAPTOR	22	4,257,727		(161,000)					22	4,096,727
	Program reduction								(161,000)		
3	F-22 RAPTOR	-	(530,634)							-	(530,634)
4	F-22 RAPTOR	-	-							-	-
4	F-22 RAPTOR	-	-							-	-
4	F-22 RAPTOR	-	498,285							-	498,285
4	F-22 RAPTOR	-	-							-	-
4	F-22 RAPTOR	-	-							-	-
4	F-22 RAPTOR	-	-							-	-
4	F-22 RAPTOR	-	-							-	-
4	F-22 RAPTOR	-	-							-	-
4	F-22 RAPTOR	-	-							-	-
	TOTAL COMBAT AIRCRAFT		**4,225,378**		**(161,000)**		**-**		**(161,000)**		**4,064,378**
	AIRLIFT AIRCRAFT										
	TACTICAL AIRLIFT										
5	C-17A (MYP)	11	2,232,372	1	172,000					12	2,404,372
	Additional Aircraft						182,000				
	AF requested Transfer								(10,000)		
5	C-17A (MYP)	-	(204,800)							-	(204,800)
6	C-17A (MYP)	-	-							-	-
6	C-17A (MYP)	-	-							-	-
6	C-17A (MYP)	-	-							-	-
6	C-17A (MYP)	-	-							-	-
6	C-17A (MYP)	-	-							-	-
6	C-17A (MYP)	-	-							-	-
6	C-17A (MYP)	-	345,200							-	345,200

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
6	C-17A (MYP)	-	118,800							-	118,800
6	C-17A (MYP)	-	40,100							-	40,100
6	C-17A (MYP)	-	-							-	-
6	C-17A (MYP)	-	-							-	-
7	C-17 ICS	-	927,627							-	927,627
	OTHER AIRLIFT										
8	C-130H	-	-							-	-
9	C-130J	5	335,991							5	335,991
9	C-130J	-	-							-	-
10	C-130J	-	110,000							-	110,000
10	C-130J	-	-							-	-
	TOTAL AIRLIFT AIRCRAFT		**3,905,290**		**172,000**		**182,000**		**(10,000)**		**4,077,290**
	TRAINER AIRCRAFT										
	UPT TRAINERS										
11	CLASSIFIED PROGRAMS	-	-							-	-
	OPERATIONAL TRAINERS										
12	JPATS	52	280,569							52	280,569
	TOTAL TRAINER AIRCRAFT		**280,569**		**-**		**-**		**-**		**280,569**
	OTHER AIRCRAFT										
	HELICOPTERS										
13	V-22 OSPREY	2	227,953							2	227,953
13	V-22 OSPREY	-	(10,100)							-	(10,100)
14	V-22 OSPREY	-	-							-	-
14	V-22 OSPREY	-	15,150							-	15,150
14	V-22 OSPREY	-	-							-	-
	MISSION SUPPORT AIRCRAFT										
15	C-32B FEST/DEST AIRCRAFT	-	-							-	-
16	CIVIL AIR PATROL A/C	27	2,540							27	2,540
	OTHER AIRCRAFT										
17	TARGET DRONES	-	48,402							-	48,402

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
18	E-8C	-	-							-	-
18	E-8C	-	-							-	-
19	E-8C	-	-							-	-
20	HAEUAV	4	238,912							4	238,912
20	HAEUAV	-	(41,000)							-	(41,000)
21	HAEUAV	-	-							-	-
21	HAEUAV	-	-							-	-
21	HAEUAV	-	55,000							-	55,000
21	HAEUAV	-	-							-	-
22	PREDATOR UAV	16	193,569		18,000					16	211,569
	Predator B Unmanned Aerial Vehicle						18,000				
	TOTAL OTHER AIRCRAFT		**730,426**		**18,000**		**18,000**		**-**		**748,426**
	MODIFICATION OF INSERVICE AIRCRAFT										
	STRATEGIC AIRCRAFT										
23	B-2A	-	76,464		51,791					-	128,255
	AF requested transfer						24,691				
	Aft deck modification						27,100				
24	B-1B	-	91,623		20,300		20,300			-	111,923
25	B-52	-	61,133		19,000					-	80,133
	Wiring Kits/Targeting Pods						19,000				
26	F-117	-	16,790							-	16,790
	TACTICAL AIRCRAFT										
27	A-10	-	17,769							-	17,769
28	F-15	-	197,605		40,000					-	237,605
	E-Kits						30,000				
	ALQ-135 Band 1.5						10,000				
29	F-16	-	300,596		14,200					-	314,796
	Falcon STAR						5,800				
	OBOGS retrofit						8,400				
30	F22 RAPTOR	-	8,284							-	8,284
31	T/AT-37	-	79							-	79

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	AIRLIFT AIRCRAFT										
32	C-5	-	92,047		39,400					-	131,447
	C-5 AMP						39,400				
33	C-9	-	978							-	978
34	C-17A	-	42,801		6,300					-	49,101
	AF requested transfer						6,300				
35	C-21	-	1,367							-	1,367
36	C-32A	-	189							-	189
37	C-37A	-	355							-	355
38	C-141	-	-							-	-
	TRAINER AIRCRAFT										
39	T6 MODIFICATIONS	-	4,201							-	4,201
40	T-38	-	132,196							-	132,196
41	T-41 AIRCRAFT	-	88							-	88
42	T-43	-	8,224							-	8,224
	OTHER AIRCRAFT										
43	KC-10A (ATCA)	-	20,622							-	20,622
44	C-12	-	5,769							-	5,769
45	C-18	-	-							-	-
46	C-20 MODS	-	444							-	444
47	VC-25A MOD	-	69,857							-	69,857
48	C-40	-	200							-	200
49	C-130	-	195,737		6,100					-	201,837
	AN/APN-241 Radars for ANG						6,100				
50	C130J MODS	-	9,759							-	9,759
51	C-135	-	176,382		229,200					-	405,582
	Air Force Air Refueling Transfer Account						229,200				
52	C-29A MODS	-	-							-	-
53	DARP	-	90,133		15,500					-	105,633
	Cobra Ball Multi-Channel Tracker						7,000				
	Senior Scout Intelligent Communications Explotation Prog.						3,000				
	Rivet Joint SIGINT Modernization						5,500				

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
54	E-3	-	53,467		8,800					-	62,267
	AWACS RSIP						8,800				
55	E-4	-	58,708							-	58,708
56	E-8	-	36,017		27,000					-	63,017
	JSTARS Reengining						27,000				
57	H-1	-	3,367							-	3,367
58	H-60	-	44,723		4,700					-	49,423
	AN/ARS-6 V12						4,700				
59	OTHER AIRCRAFT	-	69,706		4,800					-	74,506
	Fixed Aircrew Standardized Seats						4,800				
60	PREDATOR MODS	-	14,178							-	14,178
61	CV-22 MODS	-	279							-	279
	OTHER MODIFICATIONS										
62	CLASSIFIED PROJECTS	-	16,525		9,000					-	25,525
	COMPASS CALL - Block 35 Upgrade						9,000				-
	TOTAL MODIFICATION OF INSERVICE AIRCRAFT		**1,918,662**		**496,091**		**496,091**		**-**		**2,414,753**
	AIRCRAFT SPARES AND REPAIR PARTS										
	AIRCRAFT SPARES + REPAIR PARTS										
63	REPLEN SPARES/REPAIR PARTS	-	190,132							-	190,132
64	SPECIAL OPERATIONS FORCES	-	11,381							-	11,381
	TOTAL AIRCRAFT SPARES AND REPAIR PARTS		**201,513**		**-**		**-**		**-**		**201,513**
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES										
	COMMON SUPPORT EQUIPMENT										
65	COMMON SUPPORT EQUIPMENT	-	216,219							-	216,219
	POST PRODUCTION SUPPORT										
66	B-1	-	8,448							-	8,448
67	B-2A	-	6,919							-	6,919
68	B-2A	-	31,556							-	31,556
69	C-130	-	8,470							-	8,470
70	F-15 POST PRODUCTION SUPPORT	-	7,292							-	7,292

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
71	F-16 POST PRODUCTION SUPPORT	-	13,871							-	13,871
	INDUSTRIAL PREPAREDNESS										
72	REPLEN SPARES/REPAIR PARTS	-	21,728							-	21,728
	WAR CONSUMABLES										
73	WAR CONSUMABLES	-	25,716							-	25,716
	OTHER PRODUCTION CHARGES										
74	REPLEN SPARES/REPAIR PARTS	-	327,231							-	327,231
75	DEPOT MODERNIZATION	-	57,690							-	57,690
	CLASSIFIED PROGRAMS										
76	REPLEN SPARES/REPAIR PARTS	-	9,449							-	9,449
	DARP										
77	DARP	-	82,933							-	82,933
	CANCELLED ACCOUNT ADJUSTMENTS										
78	SUPPLY DEPOTS/OPERATIONS (NON-IF)	-	-							-	-
	TOTAL AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES		**817,522**		**-**		**-**		**-**		**817,522**
	TOTAL AIRCRAFT PROCUREMENT, AIR FORCE		**12,079,360**		**525,091**		**696,091**		**(171,000)**		**12,604,451**

Items of Special Interest

Air Force air refueling transfer account

The budget request contained no funds for an Air Force air refueling transfer account.

The Air Force air refueling tanker fleet is comprised of 59 KC–10 aircraft and 544 KC–135 aircraft. While the first KC–10 aircraft were delivered in 1981 and the fleet's average age is about 17 years, the KC–135s were delivered to the Air Force between 1957 and 1965 and the KC–135 fleet's average age is 42 years. Since the KC–135 comprises most of the Air Force's air refueling tanker fleet, the committee is concerned that a substantial portion of the Air Force's air refueling fleet will reach simultaneous maturity, and will require substantial investment to operate, maintain, and eventually replace this fleet.

The committee also notes that air refueling aircraft have been used extensively during the past four years in Operations Allied Force, Noble Eagle, Enduring Freedom and Iraqi Freedom. Accordingly, the committee believes that recent operational demands have further consumed aircraft life and will increase costs for future maintenance and repair activity. As recent Air Force combat operations have demonstrated, the committee further believes that future Air Force air combat operations are likely to require increased air refueling tanker capacity. Moreover, the committee notes that the Tanker Requirements Study for Fiscal Year 2005, which was released before the current defense planning guidance increased combat capability requirements to conduct theater operations and homeland defense activities, identified tanker shortfalls driven in large part by the high number of KC–135 aircraft in a depot status. Consequently, the committee is perplexed by the Air Force's decision to retire, rather than upgrade, 44 KC–135E aircraft in fiscal year 2004 and a remaining 22 KC–135E aircraft within the future years defense program.

Additionally, the committee notes that the Air Force budget would only provide for seventy-nine percent of depot purchased equipment maintenance (DPEM) in fiscal year 2004, and that the Air Force Chief of Staff has included $516.0 million to provide for increased DPEM funding for the Air Force's aircraft fleet as his first, of sixty-six, unfunded priorities for fiscal year 2004. The committee understands that of the $516.0 million amount, thirty-five percent would be planned for KC–135 aircraft depot-level repairs to sustain the aircraft's mission readiness.

To replace the KC–135 fleet, the Air Force has informed the committee that it supports a lease or procurement of replacement tanker aircraft, but the committee is puzzled by the Air Force's decision not to budget funds in fiscal year 2004 for this purpose. However, the committee notes that the Air Force Chief of Staff has included $132.0 million for the necessary expenses to prepare for the lease, or $154.0 million for the necessary expenses to prepare for the purchase, of replacement tanker aircraft as his sixth unfunded priority for fiscal year 2004.

To address the Air Force's air refueling tanker fleet requirements for fiscal year 2004 within a flexible funding framework, the committee recommends a provision (Section 131) that would establish a $229.2 million Air Force air refueling transfer account which

would authorize the Secretary of the Air Force to use these funds for the necessary fiscal year 2004 expenses to proceed with any combination of the following that best meets tanker requirements: (1) lease preparation: $132.0 million; (2) purchase preparation: $154.0 million; (3) retaining 44 KC–135E aircraft: $75.2 million; and/or (4) KC–135 DPEM: $180.6 million.

B–1B modifications

The budget request contained $91.6 million for B–1B modifications but included no funds for the modifications required to regenerate 23 additional aircraft. The B–1B is a multi-engine, supersonic, long-range bomber capable of delivering nuclear or conventional munitions.

The committee notes that the Air Force plans to retire 32 of its 92 B–1B aircraft fleet by the end of fiscal year 2003. However, the committee observed the B–1B's long-range capability to deliver conventional precision-guided munitions against strategic and tactical targets during the recent Operations Enduring Freedom and Iraqi Freedom, and believes that the B–1B's contributions were crucial to the success of both operations. Moreover, the committee believes that future conflicts will require an increased number of long-range bomber aircraft to deliver precision-guided munitions since basing for shorter range aircraft may not be assured.

To address the need for additional long-range bomber aircraft, the committee understands that 23, of the 32 B–1B aircraft to be retired in fiscal year 2003, are available to be regenerated, and that the Air Force-preferred force structure would be to reconstitute one 12-aircraft squadron, with two additional training aircraft and nine additional attrition reserve or back-up aircraft.

Accordingly, the committee recommends $111.9 million for B–1B modifications, an increase of $20.3 million, for the additional fiscal year 2004 modification costs to begin the regeneration of the 23 B–1B aircraft. Elsewhere in this report, the committee recommends increases for military construction, personnel and base operating support for this purpose.

In making this recommendation to reconstitute the additional 23 B–1B aircraft,the committee understands that the Department of the Air Force would need to budget for an additional $1.1 billion in its B–1B future years defense program, and the committee strongly urges the Department to take this action.

B–2 modifications and development

The procurement budget request contained $76.5 million for various B–2 modifications, but included no funds to modify the B–2's aft deck. Additionally, the research, development, test and evaluation (RDTE) budget request contained $152.1 million in line 68 in PE 64240F for B–2 system development, but included no funds to complete development activities to modify the B–2's aft deck or to develop the extremely high frequency (EHF) satellite communications (SATCOM) system. Also, the RDTE budget request contained $24.7 million in line 116, again labeled PE 64240F, for the B–2 advanced technology bomber. The B–2 is the Department of Defense's most advanced long-range strike aircraft, capable of global force projection in a highly defended target environment.

The committee understands that recently-discovered crack growth in the B–2's aft deck requires a modification to improve its durability and to sustain both its existing mission capable rates and low-observable performance characteristics. Accordingly, the committee recommends an increase in RDTE line 68 in PE 64240F of $3.9 million to complete development and design of aft deck repair kits, and an increase in B–2 modifications of $27.1 million to procure aft deck repair.

The EHF SATCOM system is being developed to provide high bandwidth communications for both nuclear and conventional B–2 missions. The committee understands that the Air Force's programmed EHF SATCOM development budget will not deliver any EHF SATCOM equipped B–2 aircraft at the time required by the Commander of the Strategic Command, and therefore recommends an increase of $29.6 million in line 68 RDTE PE 64240F to accelerate development of the EHF SATCOM system by one year to deliver 17 EHF SATCOM equipped B–2 aircraft by the need date established by the Commander of the Strategic Command.

Subsequent to submission of the budget request, the Air Force informed the committee that it had inadvertently placed $24.7 million in RDTE line 116 in PE 64240F, which should have been included for B–2 procurement modifications. Accordingly, the committee recommends no funds for PE 64240F in RDTE line 116, a decrease of $24.7 million, and a corresponding increase of $24.7 million for B–2 procurement modifications.

The committee recommends $128.3 million for B–2 procurement modifications, an increase of $51.8 million; $185.6 million in line 68 RDTE PE 64240F, an increase of $33.5 million; and no funds in line 116 RDTE PE 64240F, a decrease of $24.7 million.

C–5 modifications and force structure

The budget request contained $92.0 million for C–5 modifications, of which $79.9 million was included for 18 C–5 AMP kits.

The C–5 AMP replaces unreliable and unsupportable engine flight instruments and flight system components. The committee notes that the budget request is 32 kits lower than projected for fiscal year 2004 when the fiscal year 2003 budget request was submitted last year, and that the Air Force Chief of Staff has included 12 C–5 AMP kits among his unfunded priorities for fiscal year 2004.

The committee recommends $131.4 million for C–5 modifications, an increase of $39.4 million for 12 C–5 AMP kits.

Additionally, the committee notes that the Secretary of the Air Force testified before the committee on February 27, 2003, that the Air Force hypothesizes that its fleet of C–5As will prove too costly to maintain. However, the committee understands that current Air Force plans include the retention of at least 62 C–5A's and 50 C–5B's for a total of 112 C–5 aircraft, and that a reliability and re-engining program (RERP) is underway to develop and test a RERP configuration for two C–5B's and one C–5A. Subsequent to the test and evaluation of both the RERP-configured C–5A and the C–5B aircraft, the committee understands that the Department of the Air Force will then decide whether its fleet of C–5A's are too costly to maintain, and believes that this course of action is prudent to sustain the required strategic airlift capability. To ensure that the Air

Force's current C–5 force structure plan is fully evaluated before C–5A retirement decisions are made, the committee recommends a provision (section 133) that would limit the Secretary of the Air Force from proceeding with a decision to retire C–5A aircraft from the active inventory if the active inventory of such aircraft would fall below 112, until a RERP-configured C–5A aircraft completes a dedicated initial operational test and evaluation, and the Department of Defense's Director of the Operational Test and Evaluation has provided his assessment of the RERP-configured C–5A's performance to both the Secretary of Defense and the congressional defense committees.

C–17

The budget request contained $2,027.6 million to procure 11 C–17 aircraft and $504.1 million for advance procurement of 14 aircraft in fiscal year 2005. The budget request also contained $42.8 million for C–17 modifications.

The C–17 is a strategic cargo aircraft, capable of rapid delivery to main operating bases, or directly to forward bases in the deployment area, and is also capable of performing tactical airlift and airdrop missions. The C–17 is currently procured under a multiyear procurement contract that ends in fiscal year 2008 at a delivery rate of 15 aircraft per year.

The committee notes that the January 2001 Mobility Requirements Study 2005 (MRS–05) concluded that the airlift capacity to transport 54.5 million ton miles per day (MTM/D) is needed to execute the national military strategy with a moderate degree of risk, but understands that currently airlift capacity is approximately 47.4 MTM/D. While the committee further understands that the Department of the Air Force plans to achieve 54.5 MTM/D airlift capacity in fiscal year 2012 by procuring a total of 180 C–17s and modernizing the C–5 aircraft fleet, it notes that the MRS–05 was completed before the global war on terrorism began, and believes that achieving a 54.5 MTM/D airlift capacity should be accelerated to meet emerging airlift requirements. Consequently, the committee recommends an increase of $182.0 million for procurement of one additional aircraft in fiscal year 2004. In making this recommendation, the committee expects that the Department of the Air Force will increase its C–17 production rate in order to deliver 16 aircraft per year for the remaining years of the current multiyear procurement contract.

Subsequent to submission of the budget request, the Department of the Air Force informed the committee of an error in both its C–17 aircraft procurement and its C–17 modification budget lines and requested that the committee make the appropriate corrections. Consistent with the Department's request, the committee recommends a decrease of $10.0 million for C–17 procurement and an increase of $6.3 million for C–17 modifications.

In total, the committee recommends $2,199.6 million for C–17 procurement, an increase of $172.0 million; and $49.1 million for C–17 modifications, an increase of $6.3 million.

C–130 modifications

The budget request contained $195.7 million for C–130 modifications but included no funds for the AN/APN–241 radar for the Air National Guard's (ANG) C–130 fleet.

The AN/APN–241 is a weather and navigation radar that replaces the 1950's-era 1AN/APN–59 radar currently installed on the ANG's C–130 aircraft fleet. The committee understands that the AN/APN–59, in addition to being obsolete, has a mean-time-between-failure (MTBF) rate of 50 hours and is very costly to maintain while the AN/APN–241 radar has significantly improved performance capabilities, and a MTBF rate of 1000 hours. Additionally, the committee notes that the Air National Guard director has included the AN/APN–241 radar as his highest unfunded C–130 modernization priority for fiscal year 2004.

The committee recommends $201.8 million for C–130 modifications, an increase of $6.1 million for eight AN/APN–241 radars for the ANG's C–130 fleet.

E–8C joint surveillance and target attack radar system (JSTARS) reengining

The budget request contained $36.0 million for E–8 modifications, but included no funds to reengine the E–8C Joint STARS aircraft.

The E–8C Joint STARS aircraft provides near real-time surveillance and targeting information on moving and stationary ground targets, enabling battlefield commanders to quickly make and execute engagement decisions. The committee understands that the E–8C's current engines are old, inefficient, provide marginal power to support the E–8C's mission tasking, and are expensive to operate and maintain compared to new engines currently available in the commercial marketplace. The committee believes that new, replacement engines would allow the E–8C to climb more rapidly to the operationally required altitudes, maintain longer on-station times, provide improved aircraft availability, and would be more economical to operate and maintain.

The committee recommends $63.0 million for E–8 modifications, an increase of $27.0 million to begin a reengining program for the E–8C Joint STARS aircraft.

F–15 modifications

The budget request contained $197.6 million for F–15 modifications, of which $67.8 million was included for 32 F100 conversion kits and $17.1 million was included for four ALQ–135 band 1.5 modification kits, but included no funds to convert the Air National Guard's (ANG) F100 engines in their F–15 aircraft to the F100–220E configuration.

The ALQ–135 band 1.5 countermeasures system modification provides a self-protection jamming capability against modern surface-to-air enemy missiles and is integrated with the F–15E's existing internal countermeasure set and its ALR–56C radar warning receiver to provide full threat coverage. The committee believes that improved self-protection capability such as the ALQ–135 band 1.5 countermeasures system modification addresses critical deficiencies identified subsequent to Operation Allied Force in 1999, and that the ALQ–135 band 1.5 countermeasures system should be

produced at the most efficient rates and installed in all F–15E aircraft as rapidly as possible. Accordingly, the committee recommends an increase of $10.0 million to procure four additional ALQ–135 band 1.5 modification kits, and encourages the Air Force to complete ALQ–135 band 1.5 production and installation all F–15E aircraft by fiscal year 2006.

Conversion kits for the F–15's F100 engine, also known as "E-kits," provide increased thrust, greater reliability, better fuel efficiency, and reduced operations and maintenance costs. The committee notes that the ANG's F–15 aircraft make a critical contribution to the both the Air Force's Air Expeditionary Forces and to homeland security in the air defense mission, and believes that engine conversion kits for the ANG's F–15 aircraft should be continued. Consequently, the committee recommends an increase of $30.0 million to continue to convert the ANG F–15's F100 engines to the F100–220E configuration.

In total, the committee recommends $237.6 million for F–15 modifications, an increase of $40.0 million.

F–16 Air National Guard (ANG) force structure

The committee notes that the 177th Fighter Wing (FW) in Atlantic City, New Jersey has recently been designated as one of the several full time combat air patrol (CAP) alert sites by the United States Northern Command. The 177th FW currently possesses a primary assigned aircraft (PAA) strength of only 15 F–16 aircraft, but the committee believes that an increase to 24 PAA would enable the 177th FW to meet its CAP commitments to protect the citizens and property located on the east coast of the United States.

The committee understands that the 144th FW at Fresno, California, which currently flies the F–16 block 25 aircraft, is scheduled to convert to the F–15 aircraft, and the committee encourages the Air Force to accelerate the 144th FW's planned conversion and to transfer 11 of the 144th FW's block 25 F–16 aircraft to the 177th FW in order to increase the 177th FW's PAA by nine aircraft and to provide two aircraft as back up inventory.

F–16 modifications

The budget request contained $300.6 million for F–16 modifications, of which $43.0 million was included for the Falcon structural augmentation roadmap (STAR), but included no funds to retrofit the Air Reserve Component's (ARC) F–16 aircraft with the onboard oxygen-generating system (OBOGS). The ARC is comprised of both the Air National Guard and the Air Force Reserve.

Falcon STAR is a depot-level upgrade program that replaces or modifies known life-limited F–16 aircraft structure to preclude the onset of widespread fatigue damage, maintain safety of flight, enhance aircraft availability, and extend the life of affected components to 8,000 hours. The committee notes that the Air Force Chief of Staff has included additional funding for the Falcon STAR program to address depot labor rate cost increases among his unfunded priorities for fiscal year 2004, and therefore, the committee recommends an increase of $5.8 million for this purpose.

The F–16 OBOGS replaces the antiquated liquid oxygen system by creating a continuous supply of breathing oxygen to pilots by using pressurized engine bleed air routed through a molecular

sieve which removes nitrogen, yielding 93 percent pure oxygen. The committee understands that Air Force studies project that each aircraft equipped with OBOGS will result in a $12,000 per year savings, and the investment to install the OBOGS will be returned within three to five years. Consequently, the committee recommends an increase of $8.4 million to install the OBOGS on ARC F–16 aircraft.

The committee recommends $314.8 million for F–16 modifications, an increase of $14.2 million.

F/A–22

The budget request contained $3,727.1 million for 22 F/A–22 aircraft.

The committee notes that although $4,061.9 million was appropriated for 23 F/A–22 in fiscal year 2003, the Department of Defense requested a recent reprogramming to decrease that amount by $27.9 million leaving $4,034.0 million and sufficient funds for a planned quantity of only 20 F/A–22 aircraft in fiscal year 2003. However, the Department of the Air Force informed the committee that, as a result of increased efficiencies and lower negotiated vendor costs, actual contracted unit costs for the airframe, engine and avionics were reduced, and the Air Force will procure an additional aircraft in fiscal year 2003.

Since the fiscal year 2003 unit costs have been reduced, the committee believes that fiscal year 2004 unit costs will also be reduced due to increased learning curve efficiencies and lower negotiated vendor costs, and that the F/A–22 budget request exceeds requirements by $161.0 million for the planned quantity of 22 aircraft.

Therefore, the committee recommends $3,566.1 million for 22 F/A–22 aircraft, a decrease of $161.0 million.

Additionally, the committee notes that the Air Force testified before the Subcommittee on Tactical Air and Land Forces on April 2, 2003, that the F/A–22 program's key challenge is to deliver a stable and fully tested avionics software operational flight program (OFP) that runs for a sufficient period of time before an instability event occurs. Also in testimony before the subcommittee, the General Accounting Office stated that software instability had hampered efforts to integrate advanced avionics capabilities into the F/A–22 system, and that in its research on the F/A–22 program, the Air Force acknowledged that avionics have failed or shut down during numerous tests of F/A–22 aircraft due to software problems and that these shutdowns have occurred when the pilot attempts to use the radar, communication, navigation, identification, and electronic systems concurrently. The committee further notes that the Air Force testified that its then-current avionics software OFP version was only performing at a rate of 1.3 hours mean time between instability events (MTBIE), but understands that the Air Force plans to introduce avionics software OFP version 3.1.2, or a later version, that would achieve a goal of 20 hours MTBIE before the commencement of dedicated initial operational test and evaluation (DIOT&E), currently scheduled for October 2003. As a result of this testimony, the committee believes that attaining a goal of at least 20 hours MTBIE before the commencement of the F/A–22 DIOT&E program is critical to successful completion of DIOT&E, for intro-

duction of the F/A–22 into the Air Force's operational fleet, and for continuation of F/A–22 production at requested rates.

Consequently, the committee recommends a provision (section 134) that would limit the obligation of $136.0 million of the amount appropriated for fiscal year 2004 F/A–22 aircraft procurement, or an amount for one F/A–22 aircraft, until the Under Secretary of Defense for Acquisition, Technology, and Logistics certifies to the congressional defense committees that the four primary aircraft designated to participate in the F/A–22's DIOT&E program have been equipped with the avionics software OFP version 3.1.2, or a later version, and that before the commencement of the DIOT&E, those four aircraft demonstrate, on average, an avionics software MTBIE of at least 20 hours. If the Under Secretary notifies the Secretary of Defense that the Under Secretary is unable to make the certification described above, then the Secretary of Defense may waive the limitation by notifying the congressional defense committees of his reasons therefore, and funds may be obligated at the end of a 30–day period beginning on the date on which the Secretary's notification is received by the committees.

Fixed aircrew standardized seats (FASS)

The budget request contained $69.7 million for other modifications, but included no funds for FASS.

FASS would provide crewmembers and passengers on C–130, C–135, C–141, C–5, E–3, KC–10, C–17, and E–8 aircraft protection against aircraft crash loads up to 16 times the force of gravity. In prior years, the committee has supported the development of the FASS, and understands that production-ready seats can be procured for the C–130 and KC–135 aircraft by the second quarter of fiscal year 2004. The committee continues to believe that FASS procurement would not only increase safety, but would also reduce supply and maintenance costs through commonality and interchangeability of parts.

The committee recommends $74.5 million for other modifications, an increase of $4.8 million for procurement of 240 FASS.

H–60 modifications

The budget request contained $44.7 million for H–60 modifications, but included no funds to upgrade the AN/ARS–6 personnel locator system (PLS) with version 12 capability.

The AN/ARS–6 PLS is a radio system which has been in use with the Air National Guard for the past 15 years, used to detect and locate downed military and civilian aviators. The version 12 upgrade would allow operation with all current and future survival radios, including emergency beacons in both the defense and civil environments. The committee understands that the AN/ARS–6 PLS version 12 upgrade also includes technology upgrades making the system lighter and more powerful.

The committee recommends $49.7 million for H–60 modifications, an increase of $4.7 million to upgrade the AN/ARS–6 PLS with version 12 capability and to conduct an operational evaluation of this system for the search and rescue mission.

Predator B unmanned aerial vehicle (UAV)

The budget request contained $193.6 million for procurement of 16 Predator UAV systems.

The Predator UAV system provides long-dwell, real-time intelligence information to Joint Task Force Commanders. The committee notes that the employment of the Predator UAV system in Operation Enduring Freedom and Operation Iraqi Freedom demonstrated both Predator system intelligence, surveillance and reconnaissance capabilities and Hellfire missile delivery capability. As missions for the Predator UAV system expand, the committee believes that the improved speed and payload capacity of the Predator B UAV is critical to future combat operations.

The committee recommends $211.6 million, an increase of $18.0 million for Predator B UAV systems and associated spare parts.

AMMUNITION PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2004 contained $1,284.7 million for Ammunition Procurement, Air Force. The committee recommends authorization of $1,324.7 million, an increase of $40.0 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Ammunition Procurement, Air Force program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT OF AMMUNITION, AIR FORCE										
	PROCUREMENT OF AMMO, AIR FORCE										
	ROCKETS										
1	ROCKETS	-	64,494		10,000		10,000			-	74,494
	CARTRIDGES										
2	CARTRIDGES	-	159,746							-	159,746
	BOMBS										
3	PRACTICE BOMBS	-	45,909							-	45,909
4	GENERAL PURPOSE BOMBS	-	167,834		20,000					-	187,834
	To be used only for Bomb Bodies to synchronize with PGM Kits						20,000				
5	CAWCF CLOSURE COSTS	-	-							-	-
6	SENSOR FUZED WEAPON	294	117,841							294	117,841
7	JOINT DIRECT ATTACK MUNITION	20,244	427,709							20,244	427,709
8	WIND CORRECTED MUNITIONS DISP	2,516	72,411							2,516	72,411
	FLARE, IR MJU-7B										
9	CAD/PAD	-	20,030							-	20,030
10	EXPLOSIVE ORDINANCE DISPOSAL	-	3,175							-	3,175
11	SPARES AND REPAIR PARTS	-	164							-	164
12	REPLENISHMENT SPARES	-	3,167							-	3,167
13	MODIFICATIONS <5M	-	189							-	189
14	ITEMS LESS THAN $5,000,000	-	336							-	336
	FUZES										
15	FLARES	-	146,221		10,000		10,000			-	156,221
16	FUZES	-	36,466							-	36,466
	TOTAL PROCUREMENT OF AMMO, AIR FORCE		**1,265,692**		**40,000**		**40,000**		**-**		**1,305,692**
	WEAPONS										
	SMALL ARMS										
17	SMALL ARMS	-	19,033							-	19,033
	TOTAL WEAPONS		**19,033**		**-**		**-**		**-**		**19,033**
	TOTAL PROCUREMENT OF AMMUNITION, AIR FORCE		**1,284,725**		**40,000**		**40,000**		**-**		**1,324,725**

Items of Special Interest

Air Force ammunition procurement

The budget request contained $1,265.7 million for procurement of ammunition. The committee recommends $1,305.7 million, an increase of $40.0 million for the following types of ammunition programs, which were identified as top unfunded requirements by the Chief of Staff of the Air Force for fiscal year 2004:

[In millions of dollars]

Rockets:	
2.75 inch War Reserve/Training rounds	10.0
Bombs:	
General Purpose Bombs	20.0
(to be used only for the procurement of bomb bodies to synchronize with precision guided munitions kits)	
Flares:	
War Reserve/Training Pyrotechnics	10.0

MISSILE PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2004 contained $4,393.0 million for Missile Procurement, Air Force. The committee recommends authorization of $4,348.0 million, a decrease of $45.0 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Missile Procurement, Air Force program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	MISSILE PROCUREMENT, AIR FORCE										
	BALLISTIC MISSILES										
	MISSILE REPLACEMENT EQUIPMENT - BALLISTIC										
1	MISSILE REPLACEMENT EQ-BALLIS	-	50,713							-	50,713
	TOTAL BALLISTIC MISSILES		**50,713**		-		-		-		**50,713**
	OTHER MISSILES										
	TACTICAL										
2	JASSM	250	102,534							250	102,534
3	JOINT STANDOFF WEAPON	325	79,981							325	79,981
4	SIDEWINDER (AIM-9X)	386	69,072							386	69,072
5	AMRAAM	201	105,246							201	105,246
6	PREDATOR HELLFIRE MISSILE	280	23,117							280	23,117
7	SMALL DIAMETER BOMB	-	-							-	-
	INDUSTRIAL FACILITIES										
8	REPLEN SPARES/REPAIR PARTS	-	1,948							-	1,948
	TOTAL OTHER MISSILES		**381,898**		-		-		-		**381,898**
	MODIFICATION OF INSERVICE MISSILES										
	CLASS IV										
9	ADVANCED CRUISE MISSILE	-	3,498							-	3,498
10	MM III MODIFICATIONS	-	606,964							-	606,964
11	AGM-65D MAVERICK	-	318							-	318
12	AIR LAUNCH CRUISE MISSILE	-	11,478							-	11,478
13	PEACEKEEPER (M-X)	-	-							-	-
	TOTAL MODIFICATION OF INSERVICE MISSILES		**622,258**		-		-		-		**622,258**
	SPARES AND REPAIR PARTS										
	MISSILE SPARES + REPAIR PARTS										
14	REPLEN SPARES/REPAIR PARTS	-	78,449							-	78,449
	TOTAL SPARES AND REPAIR PARTS		**78,449**		-		-		-		**78,449**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	OTHER SUPPORT										
	SPACE PROGRAMS										
15	ADVANCED EHF	-	-							-	-
16	WIDEBAND GAPFILLER SATELLITES	-	34,588							-	34,588
16	WIDEBAND GAPFILLER SATELLITES	-	-							-	-
17	WIDEBAND GAPFILLER SATELLITES	-	-							-	-
18	SPACEBORNE EQUIP (COMSEC)	-	9,145							-	9,145
19	GLOBAL POSITIONING (SPACE)	-	229,599							-	229,599
19	GLOBAL POSITIONING (SPACE)	-	(2,977)							-	(2,977)
20	GLOBAL POSITIONING (SPACE)	-	-							-	-
20	GLOBAL POSITIONING (SPACE)	-	32,230							-	32,230
20	GLOBAL POSITIONING (SPACE)	-	-							-	-
21	NUDET DETECTION SYSTEM	-	-							-	-
22	DEF METEOROLOGICAL SAT PROG(S	-	68,026							-	68,026
23	DEFENSE SUPPORT PROGRAM(SPACE	-	113,067							-	113,067
24	DEFENSE SATELLITE COMM SYSTEM	-	12,479							-	12,479
25	TITAN SPACE BOOSTERS(SPACE)	-	91,499		(45,000)					-	46,499
	Titan Space Boosters								(45,000)		
26	EVOLVED EXPENDABLE LAUNCH VEH	4	609,310							4	609,310
27	MEDIUM LAUNCH VEHICLE(SPACE)	-	91,128							-	91,128
	SPECIAL PROGRAMS										
28	CANCELLED ACCOUNT	-	-							-	-
29	DEFENSE SPACE RECONN PROGRAM	-	292,000							-	292,000
30	SPECIAL PROGRAMS	-	1,552,081							-	1,552,081
31	SPECIAL UPDATE PROGRAMS	-	127,546							-	127,546
	TOTAL OTHER SUPPORT		**3,259,721**		**(45,000)**		**-**		**(45,000)**		**3,214,721**
	TOTAL MISSILE PROCUREMENT, AIR FORCE		**4,393,039**		**(45,000)**		**-**		**(45,000)**		**4,348,039**

OTHER PROCUREMENT, AIR FORCE

Overview

The budget request for fiscal year 2004 contained $11,583.7 million for Other Procurement, Air Force. The committee recommends authorization of $11,376.1 million, a decrease of $207.6 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Other Prucurement, Air Force program are identified in the table below. Major changes to the Air Force request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	OTHER PROCUREMENT, AIR FORCE										
	VEHICULAR EQUIPMENT										
	PASSENGER CARRYING VEHICLES										
1	SEDAN, 4 DR 4X2	-	-							-	-
2	STATION WAGON, 4X2	-	-							-	-
3	BUSES	-	-							-	-
4	AMBULANCES	-	-							-	-
5	LAW ENFORCEMENT VEHICLE	-	-							-	-
6	ARMORED VEHICLE	1	243							1	243
7	PASSENGER CARRYING VEHICLE	269	12,031							269	12,031
	CARGO + UTILITY VEHICLES										
8	TRUCK, CARGO-UTILITY, 3/4T, 4	-	15,515							-	15,515
9	TRUCK, CARGO-UTILITY, 3/4T, 4	-	5,374							-	5,374
10	TRUCK MAINT/UTILITY/DELIVERY	-	10,244							-	10,244
11	TRUCK CARRYALL	-	9,552							-	9,552
12	FAMILY MEDIUM TACTICAL VEHICLE	-	5,687							-	5,687
13	HIGH MOBILITY VEHICLE (MYP)	-	3,714							-	3,714
14	CAP VEHICLES	-	786							-	786
15	ITEMS LESS THAN $5,000,000	-	38,283							-	38,283
	SPECIAL PURPOSE VEHICLES										
16	TRUCK TANK FUEL R-11	-	14,115							-	14,115
17	HMMWV, ARMORED	-	2,968							-	2,968
18	HMWWV, UP-ARMORED	-	5,809							-	5,809
19	TRACTOR, A/C TOW, MB-2	-	-							-	-
20	TRACTOR, A/C TOW, MB-4	-	3,768							-	3,768
21	TRACTOR, TOW, FLIGHTLINE	-	6,052							-	6,052
22	TRUCK HYDRANT FUEL	-	1,397							-	1,397
23	ITEMS LESS THAN $5,000,000	-	24,028							-	24,028
	FIRE FIGHTING EQUIPMENT										
24	TRUCK CRASH P-19	-	4,836							-	4,836
25	ITEMS LESS THAN $5,000,000	-	5,564							-	5,564
	MATERIALS HANDLING EQUIPMENT										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
26	TRUCK, F/L 10,000 LB	-	8,510							-	8,510
27	TUNNER LOADER	-	-							-	-
28	HALVERSEN LOADER	30	19,339							30	19,339
29	ITEMS LESS THAN $5,000,000	-	9,423							-	9,423
	BASE MAINTENANCE SUPPORT										
30	LOADER, SCOOP	-	5,656							-	5,656
31	TRUCK, DUMP	-	4,990							-	4,990
32	RUNWAY SNOW REMOVAL & CLEANING	-	16,298							-	16,298
33	MODIFICATIONS	-	564							-	564
34	ITEMS LESS THAN $5,000,000	-	12,260							-	12,260
	TOTAL VEHICULAR EQUIPMENT		**247,006**		**-**		**-**		**-**		**247,006**
	ELECTRONICS AND TELECOMMUNICATIONS EQUIP										
	COMM SECURITY EQUIPMENT(COMSEC)										
35	COMSEC EQUIPMENT	-	30,417							-	30,417
36	MODIFICATIONS (COMSEC)	-	-							-	-
	INTELLIGENCE PROGRAMS										
37	INTELLIGENCE TRAINING EQUIPMENT	-	2,935							-	2,935
38	INTELLIGENCE COMM EQUIP	-	1,683							-	1,683
	ELECTRONICS PROGRAMS										
39	AIR TRAFFIC CTRL/LAND SYS (AT	-	74,664							-	74,664
40	NATIONAL AIRSPACE SYSTEM	-	33,704							-	33,704
41	THEATER AIR CONTROL SYS IMPRO	-	29,849							-	29,849
42	WEATHER OBSERVE/FORECAST	-	32,839		3,900					-	36,739
	NPOESS Support Initiative						3,900				
43	STRATEGIC COMMAND AND CONTROL	-	43,094							-	43,094
44	CHEYENNE MOUNTAIN COMPLEX	-	20,613							-	20,613
45	TAC SIGINT SUPPORT	-	389							-	389
46	DRUG INTERDICTION PROGRAM	-	403							-	403
47	HIGH PERFORMANCE COMPUTING MO	-	48,927		(25,000)					-	23,927
	High Performance Computing Mo								(25,000)		
	SPECIAL COMM-ELECTRONICS PROJECTS										

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
48	GENERAL INFORMATION TECHNOLOGY	-	119,534		(5,000)					-	114,534
	Joint Personnel Adjudication System								(17,000)		
	SELDI						12,000				
49	AF GLOBAL COMMAND & CONTROL S	-	23,457							-	23,457
50	MOBILITY COMMAND AND CONTROL	-	9,247							-	9,247
51	AIR FORCE PHYSICAL SECURITY S	-	34,877							-	34,877
52	COMBAT TRAINING RANGES	-	23,442		8,800					-	32,242
	Mini MUTES						8,800				
53	MINIMUM ESSENTIAL EMERGENCY C	-	-							-	-
54	C3 COUNTERMEASURES	-	11,634							-	11,634
55	GCSS-AF FOS	-	17,147							-	17,147
56	THEATER BATTLE MGT C2 SYS	-	50,803							-	50,803
57	AIR OPERATIONS CENTER (AOC)	-	45,954							-	45,954
	AIR FORCE COMMUNICATIONS										
58	BASE INFORMATION INFRASTRUCTURE	-	268,408		(25,000)					-	243,408
	Defend the Enclave								(25,000)		
59	USCENTCOM	-	30,335							-	30,335
60	DEFENSE MESSAGE SYSTEM (DMS)	-	10,555							-	10,555
	DISA PROGRAMS										
61	SPACE BASED IR SENSOR PROG SP	-	95,421							-	95,421
62	NAVSTAR GPS SPACE	-	10,332							-	10,332
63	NUDET DETECTION SYS (NDS) SPA	-	10,786							-	10,786
64	AF SATELLITE CONTROL NETWORK	-	48,229							-	48,229
65	SPACELIFT RANGE SYSTEM SPACE	-	80,635							-	80,635
66	MILSATCOM SPACE	-	42,329							-	42,329
67	SPACE MODS SPACE	-	30,747							-	30,747
68	COUNTERSPACE SYSTEMS	-	-							-	-
	ORGANIZATION AND BASE										
69	TACTICAL C-E EQUIPMENT	-	158,322							-	158,322
70	COMBAT SURVIVOR EVADER LOCATE	-	8,839		13,700					-	22,539
	Program increase						13,700				
71	RADIO EQUIPMENT	-	8,750							-	8,750

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
72	TV EQUIPMENT (AFRTV)	-	2,590							-	2,590
73	CCTV/AUDIOVISUAL EQUIPMENT	-	3,238							-	3,238
74	BASE COMM INFRASTRUCTURE	-	160,558							-	160,558
75	CAP COM & ELECT	-	-							-	-
76	ITEMS LESS THAN $5,000,000	-	5,960							-	5,960
77	COMM ELECT MODS	-	38,732							-	38,732
	TOTAL ELECTRONICS AND TELECOMMUNICATIONS EQUIPMENT		**1,670,378**		**(28,600)**		**38,400**		**(67,000)**		**1,641,778**
	OTHER BASE MAINTENANCE AND SUPPORT EQUIPMENT										
	TEST EQUIPMENT										
78	BASE/ALC CALIBRATION PACKAGE	-	13,528							-	13,528
79	PRIMARY STANDARDS LABORATORY	-	1,074							-	1,074
80	ITEMS LESS THAN $5,000,000	-	9,382							-	9,382
	PERSONAL SAFETY AND RESCUE EQUIPMENT										
81	NIGHT VISION GOGGLES	-	5,340							-	5,340
82	ITEMS LESS THAN $5,000,000	-	7,435							-	7,435
	DEPOT PLANT + MATERIALS HANDLING EQUIPMENT										
83	MECHANIZED MATERIAL HANDLING	-	13,919		12,000					-	25,919
	Point of Maintenance Initiative						12,000				
84	ITEMS LESS THAN $5,000,000	-	11,702							-	11,702
	ELECTRICAL EQUIPMENT										
85	FLOODLIGHTS	-	5,616							-	5,616
86	ITEMS LESS THAN $5,000,000	-	9,570							-	9,570
	BASE SUPPORT EQUIPMENT										
87	BASE PROCURED EQUIPMENT	-	9,617		9,000					-	18,617
	Combat Arms Training System						9,000				
88	MEDICAL/DENTAL EQUIPMENT	-	13,889							-	13,889
89	ENVIRONMENTAL PROJECTS	-	664							-	664
90	AIR BASE OPERABILITY	-	5,502							-	5,502
91	PHOTOGRAPHIC EQUIPMENT	-	5,708							-	5,708
92	PRODUCTIVITY ENHANCING CAPITA	-	6,210							-	6,210
93	MOBILITY EQUIPMENT	-	92,951							-	92,951

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
94	AIR CONDITIONERS	-	10,238							-	10,238
95	ITEMS LESS THAN $5,000,000	-	14,940							-	14,940
	SPECIAL SUPPORT PROJECTS										
96	PRODUCTION ACTIVITIES	-	50,442							-	50,442
97	TECH SURV COUNTERMEASURES EQ	-	3,998							-	3,998
98	DARP RC135	-	16,775							-	16,775
99	DARP, MRIGS	-	99,915							-	99,915
100	SELECTED ACTIVITIES	-	8,981,728							-	8,981,728
101	SPECIAL UPDATE PROGRAM	-	220,228							-	220,228
102	DEFENSE SPACE RECONNAISSANCE	-	14,141							-	14,141
103	INDUSTRIAL PREPAREDNESS	-	-							-	-
104	MODIFICATIONS	-	201							-	201
105	FIRST DESTINATION TRANSPORTATION	-	4,980							-	4,980
	TOTAL OTHER BASE MAINTENANCE AND SUPPORT EQUIP		**9,629,693**		**21,000**		**21,000**		**-**		**9,650,693**
	SPARE AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
106	SPARES AND REPAIR PARTS	-	36,582							-	36,582
	TOTAL SPARE AND REPAIR PARTS		**36,582**		**-**		**-**		**-**		**36,582**
	Information Technology General Reduction				(200,000)				(200,000)		(200,000)
	TOTAL OTHER PROCUREMENT, AIR FORCE		**11,583,659**		**(207,600)**		**59,400**		**(267,000)**		**11,376,059**

Items of Special Interest

Air Force information technology procurement

The budget request for Other Procurement, Air Force, contained $48.9 million for high performance computing modernization, $119.5 million for general information technology, and $268.4 million for base information infrastructure.

The committee is concerned about the excessive and unjustified growth in the Air Force's procurement for information technology (IT) programs. While the committee supports the procurement of IT systems that will transform the way the Air Force plans and tasks weather, intelligence gathering, targeting and airspace information, the committee is also concerned that some of the programs lack credible evidence to justify the double or triple amount of growth in this budget.

The committee recommends $23.9 million for high performance computing modernization, a decrease of $25.0 million; a decrease of $17.0 million in the Joint Personnel Adjudication System requested in general information technology; and $243.4 million for base information infrastructure, a decrease of $25.0 million in the Defending the Enclave Boundary Program.

Combat arms training system (CATS)

The budget request contained $9.6 million for base procured equipment, but included no funds for CATS. CATS is a computer-based simulation system that provides both marksmanship and tactical situation scenario training for security force personnel.

The committee understands that since September 11, 2001, Air National Guard (ANG) bases, which are each equipped with one CATS, are used daily to train security force personnel, and that, as a result of this daily use, two additional systems are required at each ANG base leaving a shortfall of 184 systems. With limited access to firing ranges and training munitions, the committee believes that the CATS is proving to be an essential asset to meet the ANG personnel marksmanship and weapons certification training, and to meet situational scenario readiness requirements.

The committee recommends $18.6 million for base procured equipment, an increase of $9.0 million for the CATS.

General information technology

The budget request contained $119.5 million for general information technologies, but included no funds for procurement of the science and engineering lab data integration (SELDI) program.

The Air Force Material Command's science and engineering lab captures, analyzes and disseminates lab test data to the Air Force's engineering and system overhaul operations, and the committee notes that the SELDI program facilitates this mission by providing more rapid lab data access affecting overhaul operations, providing accident investigators with immediate access to lab results of failed components, enabling component failure trend analysis, and implementing new acoustic signature sensors to ensure the proper chemical composition of materials and equipment.

The committee recommends an increase of $12.0 million for the SELDI program, and understands that the SELDI program would

improve operational aircraft readiness, increase flight safety and reduce support costs.

Miniature-multiple threat emitter system (Mini-MUTES)

The budget request contained $23.4 million for combat training ranges, but included no funds for Mini-MUTES initial spares.

The Mini-MUTEs is an electronic warfare training system which simulates radar emissions for use in aircrew training. The committee understands that the Mini-MUTES is undergoing a modernization program to improve its capabilities to simulate advanced surface-to-air missile threats, but that initial spares for the modernization program have not been budgeted. The committee further understands that providing for initial spares in fiscal year 2004 would save an additional $3.0 million in future years, and notes that the Air Force Chief of Staff has included Mini-MUTES initial spares among his unfunded priorities for fiscal year 2004.

The committee recommends $32.2 million for combat training ranges an increase of $8.8 million for initial spares for Mini-MUTES modernization program.

Point of maintenance initiative (POMX)

The budget request contained $13.9 million for mechanized material handling equipment, but included no funds for procurement of the POMX.

The POMX is a maintenance data collection program that uses equipment and methodologies that are currently in widespread commercial use to increase the timeliness and accuracy of the critical data collected. Examples of POMX equipment include: handheld terminals, bar codes, and wireless local area networks. The committee notes that the POMX objective is to increase the timeliness and accuracy of maintenance data collection while reducing the administrative burden on maintenance technicians, and understands that its use has already been validated at one Air Force base.

The committee recommends $25.9 million for mechanized material handling equipment, an increase of $12.0 million, to continue the POMX.

PROCUREMENT, DEFENSE-WIDE

Overview

The amended budget request for fiscal year 2004 contained $3,665.5 million for Procurement, Defense-Wide. The committee recommends authorization of $3,734.8 million, an increase of $69.3 million, for fiscal year 2004.

The committee recommendations for the fiscal year 2004 Procurement, Defense-Wide program are identified in the table below. Major changes to the Defense-Wide request are discussed following the table.

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	PROCUREMENT, DEFENSE-WIDE										
	MAJOR EQUIPMENT										
	MAJOR EQUIPMENT, OSD/WHS										
1	WHS MOTOR VEHICLES	2	70							2	70
2	MAJOR EQUIPMENT, OSD	-	37,291							-	37,291
3	MAJOR EQUIPMENT, WHS	-	21,622		(5,000)					-	16,622
	Case Control Management System								(5,000)		
	MAJOR EQUIPMENT, NSA										
4	CONSOLIDATED CRYPTOLOGIC PROGRAM										-
5	INFORMATION SYSTEMS SECURITY PROGRAM										-
6	DEFENSE AIRBORNE RECONNAISSANCE PGM										-
7	DEFENSE INTELLIGENCE COUNTERDRUG PROGRAM	-	-							-	-
	MAJOR EQUIPMENT, DISA										
8	INFORMATION SYSTEMS SECURITY	-	32,860							-	32,860
9	CONTINUITY OF OPERATIONS	-	-							-	-
10	DEFENSE MESSAGE SYSTEM	-	5,277		(5,277)				(5,277)	-	-
11	GLOBAL COMMAND AND CONTROL SYS	-	4,743							-	4,743
12	GLOBAL COMBAT SUPPORT SYSTEM	-	2,507							-	2,507
13	TELEPORTS	-	58,160							-	58,160
14	GLOBAL INFORMATION GRID	-	380,135							-	380,135
15	ITEMS LESS THAN $5M	-	70,025		(8,408)					-	61,617
	Program Reduction								(8,408)		
	MAJOR EQUIPMENT, DIA										
16	INTELLIGENCE AND COMMUNICATIONS										-
17	INTELLIGENCE PLANNING AND REVIEW ACTIVITIES										-
18	HEADQUARTERS MANAGEMENT DIA										-
19	INTELLIGENCE SUPPORT TO OSD COUNTER-NARCOTICS										-
	MAJOR EQUIPMENT, DLA										
20	MAJOR EQUIPMENT	-	8,545							-	8,545
	MAJOR EQUIPMENT, DCAA										
21	MAJOR EQUIPMENT ITEMS LESS THAN $5.0M	-	1,500							-	1,500

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	MAJOR EQUIPMENT, TJS										
22	MAJOR EQUIPMENT, TJS	-	46,114							-	46,114
	MISSILE DEFENSE AGENCY										
23	PATRIOT PAC-3	-	-							-	-
	MAJOR EQUIPMENT, DHRA										
24	PERSONNEL ADMINISTRATION	-	7,312							-	7,312
	NATIONAL IMAGERY AND MAPPING AGENCY										
25	MAJOR EQUIPMENT, NIMA										-
	DEFENSE THREAT REDUCTION AGENCY										
26	VEHICLES	-	200							-	200
27	OTHER MAJOR EQUIPMENT	-	37,350							-	37,350
	DEFENSE SECURITY COOPERATION AGENCY										
28	OTHER MAJOR EQUIPMENT	-	209							-	209
	MAJOR EQUIPMENT, AFIS										
29	MAJOR EQUIPMENT, AFIS	-	6,824							-	6,824
	MAJOR EQUIPMENT, DODDE										
30	AUTOMATION/EDUCATIONAL SUPPORT & LOGISTICS	-	2,337							-	2,337
	MAJOR EQUIPMENT, DCMA										
31	MAJOR EQUIPMENT	-	9,908							-	9,908
	MAJOR EQUIPMENT, DTSA										
32	MAJOR EQUIPMENT	-	590							-	590
	TOTAL MAJOR EQUIPMENT		**733,579**		**(18,685)**		**-**		**(18,685)**		**714,894**
	SPECIAL OPERATIONS COMMAND										
	AVIATION PROGRAMS										
33	SOF ROTARY WING UPGRADES	-	675,063							-	675,063
34	SOF TRAINING SYSTEMS	-	56,133							-	56,133
35	MC-130H COMBAT TALON II	-	8,838							-	8,838
36	CV-22 SOF MODIFICATION	2	108,790							2	108,790
37	AC-130U GUNSHIP ACQUISITION	-	390,054							-	390,054
38	C-130 MODIFICATIONS	-	214,798							-	214,798
39	AIRCRAFT SUPPORT	-	295							-	295

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	SHIPBUILDING										
40	ADVANCED SEAL DELIVERY SYS	-	8,351							-	8,351
40	ADVANCED SEAL DELIVERY SYS	-	-							-	-
41	ADVANCED SEAL DELIVERY SYS	-	-							-	-
41	ADVANCED SEAL DELIVERY SYS	-	23,573							-	23,573
41	ADVANCED SEAL DELIVERY SYS	-	-							-	-
42	MK VIII MOD 1 - SEAL DELIVERY VEH	-	10,100							-	10,100
	AMMUNITION PROGRAMS										
43	SOF ORDNANCE REPLENISHMENT	-	35,746							-	35,746
44	CONVENTIONAL AMMO WORKING CAPITAL FUND	-	-							-	-
45	SOF ORDNANCE ACQUISITION	-	22,506		10,500					-	33,006
	Special Operations Forces (SOF) Ordnance						10,500				
	OTHER PROCUREMENT PROGRAMS										
46	COMM EQUIPMENT & ELECTRONICS	-	56,225							-	56,225
47	SOF INTELLIGENCE SYSTEMS	-	16,522							-	16,522
48	SOF SMALL ARMS & WEAPONS	-	16,003		16,500					-	32,503
	Mini Night Vision Sight (SOPMOD)						8,000				
	Infrared Zoom Laser Illuminator/Designator						3,500				
	Light Weight Counter Mortar Radar						5,000				
49	JOINT MILITARY INTELLIGENCE PROGRAM	-	18,269							-	18,269
50	ITV	-	5,206							-	5,206
51	MARITIME EQUIPMENT MODS	-	1,316							-	1,316
52	SOF COMBATANT CRAFT SYSTEMS	-	9,981							-	9,981
53	SPARES AND REPAIR PARTS	-	7,995							-	7,995
54	SOF MARITIME EQUIPMENT	-	1,990							-	1,990
55	DRUG INTERDICTION	-	-							-	-
56	MISCELLANEOUS EQUIPMENT	-	11,207							-	11,207
57	SOF PLANNING AND REHEARSAL SYSTEM	-	292							-	292
58	SOF OPERATIONAL ENHANCEMENTS	-	235,269							-	235,269
	Budget Amendment										
59	PSYOP EQUIPMENT	-	18,264							-	18,264
	TOTAL SPECIAL OPERATIONS COMMAND		**1,952,786**		**27,000**		**27,000**		**-**		**1,979,786**

Title I - PROCUREMENT
(Dollars in Thousands)

Line	PROGRAM TITLE	FY 2004 Authorization Request		Committee Change		Committee Increase		Committee Decrease		FY 2004 Committee Authorization	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
	CHEMICAL/BIOLOGICAL DEFENSE										
	CBDP										
60	INDIVIDUAL PROTECTION	-	85,018							-	85,018
61	DECONTAMINATION	-	12,643							-	12,643
62	JOINT BIOLOGICAL DEFENSE PROGRAM	-	71,952							-	71,952
63	COLLECTIVE PROTECTION	-	17,608		36,000					-	53,608
	Collective Protection Systems						31,000				
	M28 Protective Equipment						5,000				
64	CONTAMINATION AVOIDANCE	-	318,516		25,000					-	343,516
	Joint Chemical Agent Detector						15,000				
	M22 Automatic Chemical Agent Alarm						10,000				
	TOTAL CHEMICAL/BIOLOGICAL DEFENSE		**505,737**		**61,000**		**61,000**		**-**		**566,737**
999	CLASSIFIED PROGRAMS	-	473,404							-	473,404
	TOTAL CLASSIFIED PROGRAMS		**473,404**		**-**						**473,404**
	TOTAL PROCUREMENT, DEFENSE-WIDE		**3,665,506**		**69,315**		**88,000**		**(18,685)**		**3,734,821**

Items of Special Interest

Chemical/biological defense procurement program

The budget request contained $505.7 million for chemical/biological defense (CBD) procurement, including $85.0 million for procurement of individual protection equipment, $12.6 million for decontamination equipment, $72.0 million for the joint biological defense program, $17.6 million for collective protection equipment, and $318.5 million for contamination avoidance equipment.

The committee recommends an increase of $15.0 million for procurement of the Joint Chemical Agent Detector (JCAD), an increase of $10.0 million for procurement of the M22 Automatic Chemical Agent Alarm for the Army National Guard, and a total of $53.6 million for collective protection equipment, including an increase of $31.0 million for procurement of chemical biological protective shelters for field medical treatment, forward surgical teams, and battalion medical units, and $5.0 million for M28 collective protection equipment.

Defense wide information technology procurement

The budget request contained $21.6 million for procurement for Washington Headquarters Services, including $10.4 million for the Case Control Management System.

This program supports the Defense Security Service's (DSS) mission to handle personnel security investigations by providing the processing of military, civilian, and contractor personnel security actions for the Department of Defense. The committee is concerned that the overall plan to incorporate this system with the Air Force Joint Personnel Adjudication System has not been clearly defined in order to seamlessly merge these two systems into one functioning system that will serve the entire Department.

The committee recommends $16.6 million for procurement for Washington Headquarters Services procurement, a decrease of $5.0 million in the Case Control Management System.

Department of defense budget justification documentation

The committee notes the delayed submission, perfunctory content, conflicting budgetary data, and administratively-challenged display of many of the exhibits included in the budget justification documentation provided to the congressional defense committees by the Office of the Secretary of Defense (OSD) and the military services.

Several OSD exhibits dated February 2003 were provided to the committees in April. Individual programs were often randomly organized, misidentified, duplicated item numbers, and aggregated unrelated projects. In the OSD submission for procurement, Patriot is identified as item 23 in the P–1 summary table exhibit and item 10 in the budget estimate exhibit. Also in the OSD procurement submission, there are two items identified as 15. Under the second, "Items under $5 million," one item requested is for $16.054 million, one item for $9.75 million, one item for $6.5 million, etc. The total for this P–1 line item is $70.0 million. The total requested in the budget estimate displays is $61.592 million. The committee recommends $61.592 million, a reduction of $8.408 million.

Since December 2002, the Department has been unable to provide a cross walk between budget lines items and the $27.0 billion identified in its "Information Technology FY 2003 Budget Estimates" exhibit. The Department has similarly failed to provide the same requested information for the fiscal year 2004 submission of $27.9 billion. As a result, it is not possible to validate the $27.9 billion request.

Numerous inconsistencies in program identification and item enumeration exist between the OSD provided tables; P–1 and R–1; and justification in the biennial budget estimate exhibits. OSD and the military services increasingly aggregate large numbers of often unrelated projects in common program elements, effectively limiting congressional oversight.

The Navy identified a request in its R–1, line 111, for "unguided conventional air launched weapons" of $9.701 million. Examination of the R–2, line 108, indicated that the request was for the precision guided Standoff Land Attack Missile. The Navy also requested $25.137 million for the Tri-Service Standoff Attack Missile, a program cancelled ten years ago. Further examination of the backup material indicated the request was for the Joint Air to Surface Standoff Missile. Similarly, the budget request for EA–18G, a projected multi-billion dollar program, is subsumed in the budget request for electronic warfare with five other projects. The committee directs that a new program element be established for the EA–18G of PE 64271N of $204.822 million, with a corresponding reduction in PE 64270N.

The Air Force used the same program element numbers for the same program in different phases of development, one in advanced technology development, the other in operational systems development, and randomly aggregated and incorrectly enumerated much of the materials provided in the research and development submission. Further, programs were frequently placed in research and development budget activities without regard to the actual phase of development, e.g., MC2A.

The Army request included extraneous, unrelated descriptive material for the Warfighter Information Network request and identified many of its special access programs using program element numbers unrelated to the provided R–1 exhibit.

Taken individually, these examples may seem trifling. Yet, they involve billions of taxpayer dollars. Taken together, these inconsistencies and mistakes call into question the effectiveness of the oversight provided by OSD. As noted above, the procurement and research and development displays for similar items in the military services are more often than not arrayed and consolidated differently, making meaningful comparisons among service programs more difficult for Congress, the Executive Office of the President, and OSD. Given the Secretary of Defense's emphasis on transformation, joint warfighting, and auditable financial systems and the responsibilities of senior executive branch officials and members of Congress to make reasoned judgments about spending taxpayer dollars, the committee believes that more rigorous oversight of budget exhibits by responsible OSD officials is required. Accordingly, the committee directs the Secretary of Defense to report to the Senate Committee on Armed Services and the House Committee on Armed Services by December 1, 2003 his recommenda-

tions for providing timely, consistent, clear, and meaningful budget presentations to Congress.

Information technology

The budget request included $10.8 billion, $28.9 billion, and $29.3 billion in Army, Navy, and Air Force, respectively, in procurement and $9.1 billion, $14.1 billion, $20.3 billion, and $17.1 billion, respectively, in Army, Navy, Air Force, and defense-wide Research, Development, Test and Evaluation (RDT&E), including information technology (IT) systems and programs. The committee is concerned about the lack of oversight and management attention in many of these IT programs. Therefore the committee recommends the following reductions:

Other procurement

[In millions of dollars]

Army	68.0
Navy	100.0
Air Force	200.0

RDT&E

[In millions of dollars]

Army	68.0
Navy	100.0
Air Force	200.0
Defense-wide	100.0

Military tactical radio procurement

The committee is aware that the Secretary of Defense requires a waiver prior to a military service purchase of tactical radios that are not compliant with the joint tactical radio system (JTRS) standards. The committee notes that delay in fielding JTRS has created a need for the military services to purchase non-compliant radios to bridge the gap until JTRS is fielded. The committee further notes that the existing waiver process may hinder timely replacement of radios and place an undue administrative burden on the military services. The committee directs the Secretary of Defense to simplify or hold in abeyance the requirement for waivers for tactical radio systems until JTRS deployment is more predictable and delivery dates make JTRS purchase in lieu of legacy radios logical, as was originally intended by the waiver requirement.

Operation Iraqi Freedom lessons learned

As a result of early lessons learned emerging from Operation Iraqi Freedom, military officials reviewed the performance of their respective weapon systems and determined that certain programs would benefit from increased funds, many of which were official, Service chiefs' unfunded priorities for fiscal year 2004. Upon cessation of hostilities in Iraq, the senior operations officers for each of the military services, in testimony before the committee, highlighted that Operation Iraqi Freedom combat operations validated the need to accelerate procurement of both new systems and ongoing upgrade programs for several weapon systems, many of which will remain in the United States' (U.S.) inventory for the foreseeable future. The committee has responded with increases for several programs, noted elsewhere in the report.

The Army highlighted the benefits of 2nd generation forward looking infrared sensors, for additional Bradley A2 Operation Desert Storm "D+" Fighting Vehicles and for M1A2 Abrams System Enhancement Program tank upgrades; Soldier Rapid Fielding Initiative weapons and communications equipment; and night vision devices for light infantry brigades, which are addressed elsewhere in the report.

The Navy identified a requirement to accelerate procurement of additional F/A–18 E/F aircraft armament equipment kits and that limited numbers of these kits inhibited combat operations for these aircraft due to the seven carrier air wings deployed for this operation. The Marine Corps outlined the need to accelerate procurement of H–1 helicopter infrared (IR) suppressors to mitigate IR surface-to-air-missile threats and Amphibious Assault Vehicle and Light Armored Vehicle reliability, availability, and maintainability (RAM) upgrades for its pre-positioned equipment.

Finally, the Air Force identified both Global Positioning System (GPS) III satellite program upgrades, to counter GPS jammers (covered elsewhere in the report), which can inhibit the guidance and accuracy of GPS precision guided munitions, and additional wiring kits and targeting pods for B–52 bombers, which enable these aircraft to carry targeting pods, in order to provide a rapid, precise onboard target acquisition capability for precision guided munitions.

[In millions of dollars]

Navy:	
F/A–18 E/F Aircraft Armament Equipment	25.0
Marine Corps:	
H–1 IR Suppressors	12.0
Amphibious Assault Vehicle RAM	25.0
Light Armored Vehicle RAM	12.7
Air Force:	
B–52 wiring kits/targeting pods	19.0

Secure wireless technology

The committee believes that homeland security could be greatly enhanced through the increased use of National Security Agency (NSA) approved secure cell phones for communications. The committee is aware that the faster-than-expected development of the next-generation, nationwide, integrated Type 1 secure digital cell phones provides an opportunity to fill this urgent security requirement. The committee encourages the Department of Defense and NSA to take advantage of this opportunity and accelerate the deployment of these next generation secure cell phones.

Special operations forces (SOF) ordnance

The budget request contained $22.5 million to procure SOF weapons, but included no funds to procure the AT4-confined space (CS) anti-armor and bunker defeat and breeching weapon. The committee notes that the AT4–CS is the primary shoulder fired SOF weapons system for use in confined space and is high on the unfunded priority list of the commander of the Special Operations Command.

The committee recommends $33.0 million for SOF ordnance acquisition, an increase of $10.5 million for additional AT4–CS weapons.

Special operations forces (SOF) weapons improvements

The budget request contained $16.0 million to procure Special Operations Forces (SOF) small arms and weapons, but included no funding to procure the AN/PVS–17A mini night sight, no funding to procure the infrared zoom laser illuminator/designator, and no funding to procure the light weight counter mortar radar, all of which promise to increase the combat capability of special operations tactical units. The AN/PVS–17A mini night sight will be a very effective addition to the M–4 carbine Special Operations Peculiar Modification (SOPMOD) kit and the infrared zoom laser illuminator/designator will permit the surgical delivery of global positioning system guided weapons onto targets identified by special forces operators. In addition, the light weight counter mortar radar will allow special forces under mortar attack to neutralize the enemy with accurate, timely counter fire. The committee notes that all three of these items are on the unfunded priority list of the commander of the Special Operations Command.

The committee recommends $32.5 million for SOF small arms and weapons procurement, an increase of $8 million in the M–4 carbine SOPMOD kit program for the procurement of mini night vision sights, an increase of $3.5 million for the procurement of infrared zoom laser illuminator/designator, and an increase of $5.0 million for initial fielding of the light weight counter mortar radar.

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Sections 101–104—Authorization of Appropriations

These sections would authorize the recommended fiscal year 2004 funding levels for all procurement accounts.

SUBTITLE B—ARMY PROGRAMS

Section 111—Stryker Vehicle Program

This section would authorize appropriations of $655.0 million of the $955.0 million fiscal year 2004 budget request for the Stryker Vehicle Program and condition authorization of the remaining $300.0 million upon receipt by the congressional defense committees of a report and certification.

SUBTITLE C—NAVY PROGRAMS

Section 121—Multiyear Procurement Authority for F/A–18 Aircraft Program

This section would authorize the Secretary of the Navy to enter into a multiyear procurement contract for F/A–18E, F/A–18F and EA–18G aircraft beginning with the fiscal year 2005 program year.

Section 122—Multiyear Procurement Authority for Tactical Tomahawk Cruise Missile Program

This section would authorize the Secretary of the Navy to enter into a multiyear procurement contract for Tactical Tomahawk mis-

siles beginning with the fiscal year 2004 program year for a quantity of missiles to be determined by the Secretary of the Navy.

Section 123—Multiyear Procurement Authority for Virginia Class Submarine Program

This section would authorize the Secretary of Navy to enter into a multiyear procurement contract for seven Virginia Class submarines beginning with the fiscal year 2004 program year subject to a certification to the congressional defense committees that each of the conditions specified in Section 2306b(a) of title 10, United States Code have been satisfied with respect to that contract, and a period of thirty days has elapsed after the date of the transmission of such certification.

Section 124—Multiyear Procurement Authority for E–2C Aircraft Program

This section would authorize the Secretary of the Navy to enter into a four-year multiyear procurement contract for E–2C and TE–2C aircraft and their associated engines beginning with the fiscal year 2004 program year.

Section 125—LPD–17 Class Vessel

This section would, if after May 7, 2003, Congress enacts a Department of Defense supplemental appropriations Act for fiscal year 2003 that includes appropriations for Tomahawk missiles, reduce the amount authorized to be appropriated for the Tomahawk missile by an equivalent amount of the supplemental request, or $200.0 million, whichever is less. The reduction in Tomahawk missile authorization would be applied to advance procurement of long lead items, to include the advance fabrication of components for one LPD–17 class vessel.

SUBTITLE D—AIR FORCE PROGRAMS

Section 131—Air Force Air Refueling Transfer Account

This section would establish a $229.2 million Air Force air refueling transfer account which would authorize the Secretary of the Air Force to use these funds for the necessary fiscal year 2004 expenses to prepare for either the lease or purchase of replacement tanker aircraft; retaining, rather than retiring, KC–135E aircraft; or for KC–135 depot purchased equipment maintenance. Funds provided from the Air Force air refueling transfer account would be limited so that they would not be used to enter into contracts for either the lease or purchase of tanker replacement, and the Secretary of the Air Force could not transfer funds until the congressional defense committees were notified of the proposed transfer and thirty days had elapsed after the notice was received by those committees.

Section 132—Increase in Number of Aircraft Authorized to be Procured Under Multiyear Procurement Authority for Air Force C–130J Aircraft Program

This section would amend section 131(a) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (P.L. 107–314) by striking "40 C–130J aircraft" and inserting "42 C–130J aircraft".

Section 133—Limitation on Retiring C–5 Aircraft

This section would limit the Secretary of the Air Force from proceeding with a decision to retire C–5A aircraft from the active inventory if the active inventory of such aircraft would fall below 112, until a reliability and reengining program (RERP)-configured C–5A aircraft completes a dedicated initial operational test and evaluation, and the Department of Defense's Director of the Operational Test and Evaluation has provided his assessment of the RERP—configured C–5A's performance to both the Secretary of Defense and the congressional defense committees.

Section 134—Limitation on Obligation of Funds for Procurement of F/A–22 Aircraft

This section would limit the obligation of $136.0 million of the amount appropriated for fiscal year 2004, F/A–22 aircraft procurement until the Under Secretary of Defense for Acquisition, Technology, and Logistics certifies to the congressional defense committees that the four primary aircraft designated to participate in the dedicated initial operational test and evaluation (DIOT&E) program for the F/A–22 aircraft have been equipped with the version of the avionics software operational flight program known as version 3.1.2 or a later version, and that before the commencement of the DIOT&E, those four aircraft demonstrate, on average, an avionics software mean time between instability events of at least 20 hours. If the Under Secretary notifies the Secretary of Defense that the Under Secretary is unable to make the certification described above, then the Secretary of Defense may waive the limitation by notifying the congressional defense committees of his reasons therefor, and funds may be obligated at the end of a 30–day period beginning on the date on which the Secretary's notification is received by the committees.

TITLE II—RESEARCH, DEVELOPMENT, TEST, & EVALUATION

OVERVIEW

The budget request contained $61,826.7 million for research, development, test, & evaluation (RDT&E). The committee recommends $62,685.7 million, an increase of $859.0 million to the budget request.

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
TOTAL, BASIC RESEARCH	343,037	12,100	12,100	0	355,137
TOTAL, APPLIED RESEARCH	641,263	114,600	114,600	0	755,863
TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	805,696	114,800	114,800	0	920,496
TOTAL, ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	784,347	(252,856)	25,500	(278,356)	531,491
TOTAL, SYSTEM DEVELOPMENT & DEMONSTRATION	4,737,771	135,913	159,400	(23,487)	4,873,684
TOTAL, RDT&E MANAGEMENT SUPPORT	860,457	5,900	15,900	(10,000)	866,357
TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	950,254	147,100	147,100	0	1,097,354
Information Technology Reduction	0	(68,000)	0	(68,000)	(68,000)
TOTAL, RESEARCH, DEVELOPMENT, TEST & EVALUATION, ARMY	**9,122,825**	**209,557**	**589,400**	**(379,843)**	**9,332,382**
TOTAL, BASIC RESEARCH	456,586	6,000	6,000	0	462,586
TOTAL, APPLIED RESEARCH	535,943	62,700	62,700	0	598,643
TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	721,773	10,658	175,400	(164,742)	732,431
TOTAL, ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	2,600,045	103,149	157,200	(54,051)	2,703,194
TOTAL, SYSTEM DEVELOPMENT & DEMONSTRATION	6,239,357	100,500	146,000	(45,500)	6,339,857
TOTAL, RDT&E MANAGEMENT SUPPORT	651,123	1,600	1,600	0	652,723
TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	2,901,826	52,100	60,500	(8,400)	2,953,926
Information Technology Reduction	0	(100,000)	0	(100,000)	(100,000)
TOTAL, RESEARCH, DEVELOPMENT, TEST & EVALUATION, NAVY	**14,106,653**	**236,707**	**609,400**	**(372,693)**	**14,343,360**
TOTAL, BASIC RESEARCH	322,041	5,000	5,000	0	327,041
TOTAL, APPLIED RESEARCH	757,960	35,000	35,000	0	792,960
TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	1,146,130	74,400	74,400	0	1,220,530
TOTAL, ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	2,176,984	152,000	232,000	(80,000)	2,328,984
TOTAL, SYSTEM DEVELOPMENT & DEMONSTRATION	4,577,185	73,800	73,800	0	4,650,985
TOTAL, RDT&E MANAGEMENT SUPPORT	630,365	0	0	0	630,365
TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	10,725,593	72,409	129,300	(56,891)	10,798,002
Information Technology Reduction	0	(200,000)	0	(200,000)	(200,000)
TOTAL. RESEARCH, DEVELOPMENT, TEST & EVALUATION, AIR FORCE	**20,336,258**	**212,609**	**549,500**	**(336,891)**	**20,548,867**

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION
(Dollars in Thousands)

PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
TOTAL, BASIC RESEARCH	186,860	7,000	7,000	0	193,860
TOTAL, APPLIED RESEARCH	1,734,825	57,000	57,000	0	1,791,825
TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	2,566,243	162,658	220,458	(57,800)	2,728,901
TOTAL, ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	7,635,658	150,559	376,659	(226,100)	7,786,217
TOTAL, SYSTEM DEVELOPMENT & DEMONSTRATION	358,383	(30,209)	12,500	(42,709)	328,174
TOTAL, RDT&E MANAGEMENT SUPPORT	612,038	(1,000)	2,000	(3,000)	611,038
TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	4,880,250	(45,880)	34,450	(80,330)	4,834,370
Information Technology Reduction	0	(100,000)	0	(100,000)	(100,000)
TOTAL, RDT&E, DEFENSE-WIDE	**17,974,257**	**200,128**	**710,067**	**(509,939)**	**18,174,385**
TOTAL, OPERATIONAL TEST & EVAL, DEFENSE	**286,661**	**0**	**0**	**0**	**286,661**
TOTAL, RESEARCH AND DEVELOPMENT	**61,826,654**	**859,001**	**2,458,367**	**(1,599,366)**	**62,685,655**

ARMY RESEARCH, DEVELOPMENT, TEST, & EVALUATION

Overview

The budget request contained $9,122.8 million for Army research, development, test, and evaluation (RDT&E).

The committee recommends $9,332.4 million, an increase of $209.6 million to the budget request.

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, ARMY					
		BASIC RESEARCH					
0601101A	1	In-House Laboratory Independent Research	24,121				24,121
0601102A	2	Defense Research Sciences	128,798	6,000			134,798
		Advanced Deployable Nano-sensors			2,000		
		Desert Terrain Analysis			4,000		
0601103A	3	University Research Initiatives	71,642				71,642
0601104A	4	University and Industry Research Centers	84,816	6,100			90,916
		Jidoka Project			1,500		
		Army Centers of Excellence			2,500		
		Electromagnetic Gun Initiative			2,100		
0601105A	5	Force Health Protection	9,847				9,847
0601114A	6	Defense Experimental Program to Stimulate Competitive Research	9,730				9,730
0601228A	7	Historically Black Colleges and Universities/Minority Instit	14,083				14,083
		TOTAL, BASIC RESEARCH	**343,037**	**12,100**	**12,100**	**0**	**355,137**
		APPLIED RESEARCH					
0602105A	8	Materials Technology	15,186	20,000			35,186
		Composite Multifunction Material Technology for Future Combat Systems			5,000		
		Volumetrically Controlled Manufacturing (VCM)			15,000		
0602120A	9	Sensors and Electronic Survivability	22,765				22,765
0602122A	10	TRACTOR HIP	5,835				5,835
0602211A	11	Aviation Technology	39,459				39,459
0602270A	12	EW Technology	17,029				17,029
0602303A	13	Missile Technology	43,269	10,000			53,269

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		Micro Electro-mechanical Systems Inertial Measurement Unit/GPS			10,000		
0602307A	14	Advanced Weapons Technology/HEL	14,189	7,000			21,189
		Diode-Pumped Solid-State High Energy Laser			7,000		
0602308A	15	Advanced Concepts and Simulation	15,941				15,941
0602601A	16	Combat Vehicle and Automotive Technology	80,910	9,900			90,810
		Advanced Electric Drive			3,000		
		M-Gator Advanced Powertrains			4,400		
		Fuel Preporator			2,500		
0602618A	17	Ballistics Technology/FCS	53,478				53,478
0602622A	18	Chemical, Smoke and Equipment Defeating Technology	3,540	5,000			8,540
		Metal Particles in Defense Applications Obscurant Smokes			5,000		
0602623A	19	Joint Service Small Arms Program	5,835	5,000			10,835
		Anti-Material Sniper Rifle			5,000		
0602624A	20	Weapons and Munitions Technology	39,485	16,500			55,985
		Alloy Tungsten (LA-T) Kinetic Energy Penetrator Technology Ammo			5,500		
		Generation 2 (X-Caliber) Warhead Technology			3,000		
		TEMPER			8,000		
0602705A	21	Electronics and Electronic Devices	33,694	24,000			57,694
		Advanced Battery Technology Initiative			20,000		
		Flexible Display Initiative			4,000		
0602709A	22	Night Vision Technology	22,233				22,233
0602712A	23	Countermine Systems	21,291				21,291
0602716A	24	Human Factors Engineering Technology	16,749	3,500			20,249
		Human Systems Integration (MANPRINT)			3,500		
0602720A	25	Environmental Quality Technology	18,252				18,252
0602782A	26	Command, Control, Communications Technology	18,728				18,728
0602783A	27	Computer and Software Technology	4,142				4,142

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0602784A	28	Military Engineering Technology	45,407	2,000			47,407
		Brooks Energy and Sustainability Lab			2,000		
0602785A	29	Manpower/Personnel/Training Technology	15,548				15,548
0602786A	30	Warfighter Technology	29,421	3,500			32,921
		Advanced Microbial Technology for Treating Military Textiles & Clothing			3,500		
0602787A	31	Medical Technology	58,877	8,200			67,077
		Remote Acoustic Hemostasis			8,200		
0602805A	32	Dual Use Science and Technology	0				0
		TOTAL, APPLIED RESEARCH	**641,263**	**114,600**	**114,600**	**0**	**755,863**
		ADVANCED TECHNOLOGY DEVELOPMENT					
0603001A	33	Warfighter Advanced Technology	63,882				63,882
0603002A	34	Medical Advanced Technology	35,168	9,000			44,168
		Hemoglobin-based Oxygen Carrier			5,000		
		Pseudofollicullitus Barbae Research			1,000		
		Rugged textile electronic garments for combat casualty care			3,000		
0603003A	35	Aviation Advanced Technology	72,083	17,700			89,783
		Airborne Manned/Unmanned System Technology			5,000		
		Broad Area Unmanned Responsive Re-Supply Operations			9,700		
		Reconfiguring Tooling System			3,000		
0603004A	36	Weapons and Munitions Advanced Technology	47,752	5,000			52,752
		ScramFire 120mm Powered Munition			5,000		
0603005A	37	Combat Vehicle and Automotive Advanced Technology	210,856	10,000			220,856
		Aluminum Lightweight Structure Initiative			5,000		
		Advanced Army Composite Bridge			5,000		
0603006A	38	Command, Control, Communications Advanced Technology	10,379				10,379
0603007A	39	Manpower, Personnel and Training Advanced Technology	4,931	5,000			9,931

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		Ground Systems Team Training			5,000		
0603008A	40	Electronic Warfare Advanced Technology (H)	40,347	18,600			58,947
		Applied Communication and Information Networking			10,000		
		Portable and Mobile Emergency Broadband System			8,600		
0603009A	41	TRACTOR HIKE	8,781				8,781
0603015A	42	Next Generation Training & Simulation Systems	18,649				18,649
0603017A	43	TRACTOR RED	0				0
0603020A	44	TRACTOR ROSE	2,872				2,872
0603103A	45	Explosives Demilitarization Technology	9,349				9,349
0603105A	46	Military HIV Research	6,733				6,733
0603125A	47	Combating Terrorism, Technology Development	4,916				4,916
0603238A	48	Global Surveillance/Air Defense/Precision Strike Technology Demonstration	12,660				12,660
0603270A	49	EW Technology	11,273				11,273
0603313A	50	Missile and Rocket Advanced Technology	111,321	5,000			116,321
		Army Manufacturing and Maintenance Organization			5,000		
0603322A	51	TRACTOR CAGE	7,592				7,592
0603606A	52	Landmine Warfare and Barrier Advanced Technology	24,552				24,552
0603607A	53	Joint Service Small Arms Program	6,193				6,193
0603654A	54	Line-Of-Sight Technology Demonstration	8,847				8,847
0603710A	55	Night Vision Advanced Technology	47,088	25,500			72,588
		Buster Backpack Unmanned Aerial Vehicle			10,000		
		Night Vision Fusion (I2 & IR)			5,000		
		DOD Firefighter Helmet Mounted Thermal Imaging Camera System			5,500		
		Wire Detection, Wind Sensor, and Obstacle Avoidance System			5,000		
0603728A	56	Environmental Quality Technology Demonstrations	15,776				15,776
0603734A	57	Military Engineering Advanced Technology	3,441				3,441
0603772A	58	Advanced Tactical Computer Science and Sensor Technology	20,255	19,000			39,255

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		Lightweight Counter Mortar Radar			8,000		
		Multi-Mission Radar Program			7,000		
		Palletized SAR MTI Radar Sets			4,000		
		TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	**805,696**	**114,800**	**114,800**	**0**	**920,496**
		ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES					
0603305A	59	Army Missile Defense Systems Integration (Non Space)/MTHEL	51,547	11,500			63,047
		Advanced Battery Technology Demonstration and Validation			4,000		
		Advanced Tactical Operations Center			7,500		
0603308A	60	Army Missile Defense Systems Integration (Space)	9,632				9,632
0603327A	61	Air and Missile Defense Systems Engineering	79,959	7,000			86,959
		Army Air and Missile Defense (AMD) Architecture Analysis (A3) Program			7,000		
0603619A	62	Landmine Warfare and Barrier - Adv Dev	36,976				36,976
0603627A	63	Smoke, Obscurant and Target Defeating Sys-Adv Dev	10,262				10,262
0603639A	64	Tank and Medium Caliber Ammunition	11,249				11,249
0603653A	65	Advanced Tank Armament System (ATAS)	61,377				61,377
0603747A	66	Soldier Support and Survivability	13,987				13,987
0603748A	XX	Defense Language Institute	0	5,000	5,000		5,000
0603766A	67	Tactical Electronic Surveillance System - Adv Dev	17,068				17,068
0603774A	68	Night Vision Systems Advanced Development	5,283				5,283
0603779A	69	Environmental Quality Technology	11,514	2,000			13,514
		Asbestos Pilot Project			2,000		
0603782A	70	Warfighter Information Network-Tactical	90,774				90,774
0603790A	71	NATO Research and Development	4,779				4,779
0603801A	72	Aviation - Adv Dev	9,968				9,968
0603802A	73	Weapons and Munitions - Adv Dev / OICW	31,856				31,856
0603804A	74	Logistics and Engineer Equipment - Adv Dev	12,008				12,008

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0603805A	75	Combat Service Support Control System Evaluation and Analysis	8,682				8,682
0603807A	76	Medical Systems - Adv Dev	11,042				11,042
0603850A	77	Integrated Broadcast Service (JMIP/DISTP)	2,097	(2,097)			0
		Program Reduction				(2,097)	
0603851A	78	TRACTOR CAGE	0				0
0603854A	79	Artillery Systems	0				0
0603856A	80	SCAMP Block II	28,028				28,028
0603869A	81	Medium Extended Air Defense System (MEADS) Concepts	276,259	(276,259)			0
		MEADS Transfer				(276,259)	
		TOTAL, ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	**784,347**	**(252,856)**	**25,500**	**(278,356)**	**531,491**
		SYSTEM DEVELOPMENT & DEMONSTRATION					
0604201A	82	Aircraft Avionics	64,650				64,650
0604220A	83	Armed, Deployable OH-58D	0				0
0604223A	84	Comanche	1,079,257				1,079,257
0604270A	85	EW Development	33,214				33,214
0604280A	86	Joint Tactical Radio	134,693				134,693
0604321A	87	All Source Analysis System	20,168				20,168
0604328A	88	TRACTOR CAGE	16,215				16,215
0604329A	89	Common Missile	183,790				183,790
0604601A	90	Infantry Support Weapons	21,637				21,637
0604604A	91	Medium Tactical Vehicles/FMTV	4,366				4,366
0604609A	92	Smoke, Obscurant and Target Defeating Sys-SDD	12,094				12,094
0604611A	93	JAVELIN	956				956
0604619A	94	Landmine Warfare	0				0
0604622A	95	Family of Heavy Tactical Vehicles	9,200				9,200
0604633A	96	Air Traffic Control	2,514				2,514

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0604641A	97	Tactical Unmanned Ground Vehicle (TUGV)	0				0
0604642A	98	Light Tactical Wheeled Vehicles	15,700				15,700
0604645A	99	Future Combat Systems	1,245,118				1,245,118
0604646A	XX	Networked Fires Systems Technology - SDD	102,971				102,971
0604647A	XX	Objective Force Indirect Fires - SDD	353,242				353,242
0604649A	100	Engineer Mobility Equipment Development	0				0
0604710A	101	Night Vision Systems - SDD	29,022	3,000			32,022
		Modular Multi Function Laser System			3,000		
0604713A	102	Combat Feeding, Clothing, and Equipment	67,283	58,500			125,783
		Transfer from OPA-136 "Land Warrior"			58,500		
0604715A	103	Non-System Training Devices - SDD	71,616	(8,767)		(8,767)	62,849
0604716A	104	Terrain Information - SDD	6,977				6,977
0604726A	105	Integrated Meteorological Support System	3,309				3,309
0604738A	106	JSIMS Core Program	0				0
0604741A	107	Air Defense Command, Control and Intelligence - SDD	29,297				29,297
0604742A	108	Constructive Simulation Systems Development	16,994	(14,720)		(14,720)	2,274
0604746A	109	Automatic Test Equipment Development	4,634				4,634
0604760A	110	Distributive Interactive Simulations (DIS) - SDD	26,358				26,358
0604766A	111	Tactical Surveillance Systems - SDD	19,695	6,000			25,695
		Broadband Intelligence Training System			6,000		
0604768A	112	Army Tactical Missile System (ATACMS)	55,075				55,075
0604770A	113	Joint Surveillance/Target Attack Radar System	4,705				4,705
0604778A	114	Positioning Systems Development (SPACE)	1,574				1,574
0604780A	115	Combined Arms Tactical Trainer (CATT) Core	3,998				3,998
0604783A	116	Joint Network Management System	9,437				9,437
0604801A	117	Aviation - SDD	2,379				2,379
0604802A	118	Weapons and Munitions - SDD	129,409	9,000			138,409

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		Advanced Precision Kill Weapon System			9,000		
0604804A	119	Logistics and Engineer Equipment - SDD	86,288				86,288
0604805A	120	Command, Control, Communications Systems - SDD	219,088				219,088
0604807A	121	Medical Materiel/Medical Biological Defense Equipment - SDD	12,202				12,202
0604808A	122	Landmine Warfare/Barrier - SDD	90,396				90,396
0604814A	123	Artillery Munitions	133,994				133,994
0604817A	124	Combat Identification/BCIS	3,541				3,541
0604818A	125	Army Tactical Command & Control Hardware & Software	98,129	3,900			102,029
		Army Airborne Command & Control System (A2CS2)			3,900		
0604819A	126	LOSAT	30,809				30,809
0604820A	127	Radar Development	0				0
0604823A	128	Firefinder	27,107				27,107
0604854A	129	Artillery Systems	32,629				32,629
0604865A	130	Patriot PAC-3 Theater Missile Defense Acquisition	174,475	79,000			253,475
		PAC-3 R&D			79,000		
0605013A	131	Information Technology Development	47,566				47,566
		TOTAL, SYSTEM DEVELOPMENT & DEMONSTRATION	**4,737,771**	**135,913**	**159,400**	**(23,487)**	**4,873,684**
		RDT&E MANAGEMENT SUPPORT					
0604256A	132	Threat Simulator Development	17,751				17,751
0604258A	133	Target Systems Development	13,890				13,890
0604759A	134	Major T&E Investment	62,135				62,135
0605103A	135	Rand Arroyo Center	22,804				22,804
0605301A	136	Army Kwajalein Atoll	137,307				137,307
0605326A	137	Concepts Experimentation Program	26,473				26,473
0605502A	138	Small Business Innovative Research	0				0
0605601A	139	Army Test Ranges and Facilities	174,603	7,400			182,003

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		Army Aviation Technical Test Center Upgrade for Helicopter			7,400		
0605602A	140	Army Technical Test Instrumentation and Targets	54,986				54,986
0605604A	141	Survivability/Lethality Analysis	39,138				39,138
0605605A	142	DOD High Energy Laser Test Facility	17,806				17,806
0605606A	143	Aircraft Certification	3,098				3,098
0605702A	144	Meteorological Support to RDT&E Activities	9,669				9,669
0605706A	145	Materiel Systems Analysis	15,832				15,832
0605709A	146	Exploitation of Foreign Items	3,579				3,579
0605712A	147	Support of Operational Testing	67,795				67,795
0605716A	148	Army Evaluation Center	57,074	(10,000)			47,074
		Program Reduction				(10,000)	
0605718A	149	Simulation & Modeling for Acq, Rqts, & Tng (SMART)	2,654				2,654
0605801A	150	Programwide Activities	71,555				71,555
0605803A	151	Technical Information Activities	28,520				28,520
0605805A	152	Munitions Standardization, Effectiveness and Safety	19,855	8,500			28,355
		Advanced Cluster Energetics (ACE) Manufacturing Technology			5,000		
		Cadmium Zinc Telluride Detectors			3,500		
0605857A	153	Environmental Quality Technology Mgmt Support	4,938				4,938
0605898A	154	Management Headquarters (Research and Development)	8,995				8,995
0909999A	155	Financing for Cancelled Account Adjustments	0				0
		TOTAL, RDT&E MANAGEMENT SUPPORT	**860,457**	**5,900**	**15,900**	**(10,000)**	**866,357**
		OPERATIONAL SYSTEMS DEVELOPMENT					
0603778A	156	MLRS Product Improvement Program	84,839				84,839
0102419A	157	Aerostat Joint Project Office	57,549	3,000			60,549
		Lightweight X-Band Radar MEMS Antenna Technology			3,000		
0203610A	158	Domestic Preparedness Against Weapons of Mass Destruction	0				0

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0203726A	159	Adv Field Artillery Tactical Data System	28,917				28,917
0203735A	160	Combat Vehicle Improvement Programs	24,486				24,486
0203740A	161	Maneuver Control System - Tactical C2	39,581				39,581
0203744A	162	Aircraft Modifications/Product Improvement Programs	187,959	100,000			287,959
		Transfer from APA-15 "UH-60 Mods"			100,000		
0203752A	163	Aircraft Engine Component Improvement Program	3,399				3,399
0203758A	164	Digitization	18,251				18,251
0203759A	165	Force XXI Battle Command, Brigade and Below (FBCB2)	48,436				48,436
0203761A	166	Force XXI, Warfighting Rapid Acquisition Program	0				0
0203801A	167	Missile/Air Defense Product Improvement Program	44,468	10,000			54,468
		PAC-2			10,000		
0203802A	168	Other Missile Product Improvement Programs	9,822				9,822
0203806A	169	TRACTOR RUT	8,851				8,851
0203808A	170	TRACTOR CARD	9,255				9,255
0208010A	171	Joint Tactical Communications Program (TRI-TAC)	16,543				16,543
0208053A	172	Joint Tactical Ground System	9,767				9,767
0301359A	173	Special Army Program	5,968				5,968
0303028A	174	Security and Intelligence Activities	0	10,000			10,000
		Intelligence and Security Command Global Information Portal			5,000		
		Info Dominance Center Expanded Processing for Advanced Data Analysis			5,000		
0303140A	175	Information Systems Security Program	20,728				20,728
0303141A	176	Global Combat Support System	58,983				58,983
0303142A	177	SATCOM Ground Environment (SPACE)	87,352				87,352
0303142A	178	WWMCCS/Global Command and Control System	20,124				20,124
0305114A	179	Traffic Control, Approach and Landing System/JPALS	956				956
0305204A	180	Tactical Unmanned Aerial Vehicles	60,493	12,400			72,893
		Shadow Unmanned Aerial Vehicle Improvements			12,400		

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0305206A	181	Airborne Reconnaissance Systems	4,751	8,700			13,451
		Hyperspectral Long Wave Imager for the Tactical Environment (HyLite)			8,700		
0305208A	182	Distributed Common Ground Systems	32,292				32,292
0708045A	183	End Item Industrial Preparedness Activities	65,981	3,000			68,981
		21st Century High Technology for Legacy Parts Reinvention			3,000		
1001018A	184	NATO Joint STARS	503				503
		TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	**950,254**	**147,100**	**147,100**	**0**	**1,097,354**
	xxx	Information Technology Reduction		(68,000)		(68,000)	(68,000)
		TOTAL, RESEARCH, DEVELOPMENT, TEST & EVALUATION, ARMY	**9,122,825**	**209,557**	**589,400**	**(379,843)**	**9,332,382**

Items of Special Interest

Advanced battery technology initiative

The budget request contained $33.7 million in PE 62705A for applied research in electronics and electronic devices.

The committee notes continuing requirements for small, lightweight, efficient, and portable battery and non-battery power sources for U.S. forces and of on-going applied research and development activities of the military departments that address these requirements. The committee is aware of a number of emerging battery and non-battery power technologies that have the potential for meeting the requirements of the military services, including but not limited to alkaline cylindrical cells, cylindrical zinc air batteries, high capacity nickel/zinc rechargeable cells, lithium oxyhalide and lithium ion thin-film technology, lithium carbon monoflouride cells, and proton exchange membrane fuel cells.

The committee urges that these technologies be considered for potential funded research and development under the services' on-going programs on the basis of technical merit, cost effectiveness, and the potential of the particular technology to meet service needs. The committee also urges establishment of a battery/portable power technology initiative in the Army that will address Department of Defense needs for small, light-weight, efficient, portable battery and non-battery power sources. The initiative should be conducted under the RDT&E Reliance process to insure that the program meets the needs of all the military services.

The committee recommends an increase of $20.0 million in PE 62705A for the battery/portable power technology initiative.

Advanced cluster energetics

The budget request contained $19.9 million in PE 65805A for munitions standardization, effectiveness, and safety, including $2.5 million for development and assessment of munitions life cycle pilot processes.

The committee notes the development of innovative processes in cluster munitions production engineering that have resulted in the ability to manufacture uniform energetic products without the need for high stress and inherently dangerous mixing processes. These processes will result in reductions in the cost to manufacture propellants and explosives, as well as improvements in manufacturing performance and safety.

The committee recommends an increase of $5.0 million in PE 65805A for continued development of advanced cluster energetics manufacturing technology.

Advanced electric drive

The budget request contained $80.9 million in PE 62601A for combat vehicle and automotive advanced technology, but included no funds for advanced electric drive.

The committee notes that present military drive systems require greater vehicle efficiency and performance. The committee is aware that the advanced electric drive (AED) project is to develop intelligent electric wheel-end and axle designs with integral drive motors that would yield higher vehicle efficiencies, greater power densities, and greater torque.

The committee recommends $83.9 million in PE 62601A, an increase of $3.0 million for AED.

Advanced precision kill weapon system (APKWS)

The budget request contained $35.1 million in PE 64802A for continued block I systems development and demonstration of the APKWS.

The APKWS upgrade will provide a family of precision guided rockets by combining a newly designed semi-active laser section with the air-launched, unguided 2.75 inch HYDRA–70 rocket. The APKWS block I upgrade entered systems development and demonstration in fiscal year 2003 and is planned to develop, test and qualify the laser-guided HYDRA–70 rocket. However, the committee notes that funds for future block II improvements, which would include development and qualification of an improved warhead and advanced fuzing, are not planned to be budgeted for until fiscal years 2006 and 2007. The committee understands that by adding additional funds in fiscal year 2004, the Army could accelerate technology demonstrations for block II improvements and thereby ensure continuity between fiscal years 2005 and 2006 in block I and block II development schedules. Therefore, the committee recommends $44.1 million in PE 64802A, an increase of $9.0 million, to accelerate technology demonstrations of critical technologies for APKWS block II improvements.

Armored Systems Modernization

The budget request included $1.7 billion in PE 64645A for Armored Systems Modernization for three projects: Future Combat System (FCS), Networked Fires Systems Technology, and Objective Force Indirect Fires.

The committee supports the Army's transformational objectives of achieving a more agile, light, and lethal objective force. The Army envisions a highly interdependent system that will be required to interface with other FCS units; complementary systems using the Joint Tactical Radio System and the Warfighter Information Network-Tactical; other systems of the objective force; and joint forces.

However, the committee has several concerns with the Armored Systems Modernization Program, as requested:

(1) The Army is embarking on a System Development and Demonstration program of major technical complexity, which to date is largely undefined with regard to architecture, requirements, schedule and cost;

(2) The key performance parameters are of such a general nature, lacking any metrics, that many current Army systems meet the key performance parameters, precluding a need for a new program;

(3) The Army's performance in major programs of significantly less complexity like Land Warrior and the Comanche helicopter program has been lacking;

(4) The intended construct of the program, placing all FCS projects in the same program element limits quantitative and qualitative congressional oversight;

(5) The Army's budget request for FCS is not supported by the program descriptive material provided to justify the budget

request of $1.7 billion for the three projects. As an example, the $1.25 billion requested for FCS includes $439.0 million for fiscal year 2004, for detailed system design that at present consists of one element: the communications network intended to link FCS systems. The Army was unable to provide the scope of work for the $439.0 million requested; and

(6) Layered management overly insulates senior Army management from FCS program managers—the only relevant Army officials that did not appreciate the original timeline for fielding the first unit equipped by 2008 was not executable were the Army's senior leadership;

Consequently, the committee recommends a provision (section 214) that would:

(7) Restructure the current three projects within the Armored Systems Modernization program into three program elements and require any future additional FCS-related programs to be requested by program element, in the appropriate budget activity;

(8) Preclude authorization of appropriations until thirty days after the congressional defense committees are provided sufficient budget descriptive detail to justify a $1.7 billion budget request.

Army Centers of Excellence

The budget request contained $84.8 million in PE 61104A for university and industry research centers and included $2.5 million to establish a center of excellence for optimizing cognitive readiness under combat conditions and to improve tactical mobility through innovative research initiatives.

The committee has long supported the Army's Center of Excellence program and is particularly supportive of the Army's new effort to leverage current research in the areas of modeling and simulation, protective materials, and health and human performance. The committee encourages further work in this area.

The committee recommends $87.3 million in PE 61104A for university and industry research centers, an increase of $2.5 million for competitive establishment of a center of excellence for cognitive research under the Army center of excellence program.

Army Evaluation Center

The budget request contained $57.1 million for the Army Evaluation Center.

This program funds evaluations of all major Army acquisition programs. The evaluation provides information and data on individual systems' performance, effectiveness, and survivability to the Army's senior leadership and Congress. The committee is concerned that the growth in this program's research, development, testing, and evaluation's budget is unclear and not supported in the documentation submitted.

The committee recommends $47.1 million in PE 65716A, a decrease of $10.0 million in this program.

Army information dominance center expanded processing for advanced data analysis

The budget request contained no funding in PE 33028A for the Army information dominance center's (IDC) expanded processing for advanced data analysis.

The committee is aware that additional funding would allow integration of the IDC's software analysis tools onto mainframe platforms with much higher computing capability which would increase mission effectiveness.

The committee recommends $5.0 million in PE 33028A, an increase of $5.0 million for the Army IDC's expanded processing for advanced data analysis.

Army integrated broadcast service integration

The budget request contained $2.1 million in PE 63850A for integrated broadcast system (IBS) (JMIP/DISTP), specifically for modules for the joint tactical radio system (JTRS) IBS function.

The committee notes that Army JTRS funding in PE 64280A increases 214 percent over last year, and contains sufficient funding to tailor JTRS to the IBS for the Army. The committee supports the need for IBS, however, it believes that the JTRS program is sufficiently funded to develop the minor modifications necessary to process the IBS waveform within the JTRS radio.

The committee recommends no funds in PE 63850A, a decrease of $2.1 million.

Army manufacturing and maintenance organization

The budget request contained $111.3 million in PE 63313A for missile and rocket advanced technology, but included no funds for the Army maintenance and manufacturing organization (AMMO).

The committee is aware that the AMMO of the Army Aviation and Missile Command has initiated seven projects to extend the life of weapons systems such as helicopters and missiles.

The committee recommends $116.3 million in PE 63313A, an increase of $5.0 million for the AMMO to continue its weapons systems life extension programs.

Army unmanned aerial vehicle advocacy

The committee notes that until now the Army unmanned aerial vehicle (UAV) advocacy has been in the Army military intelligence branch. The committee is aware that the Army intends to transfer UAV advocacy, including that for the tactical UAV (TUAV) program, to the Army aviation directorate as part of overall Army reorganization. The committee understands that the Army believes that UAV's can best be developed by the aviation directorate because that directorate is fully aware of the totality of UAV missions, including those related to intelligence.

The committee is informed that only UAV advocacy is changing, and that funding for UAV's and related components will remain as is.

The committee is concerned that UAV program funding may suffer in budget competition with manned programs within the directorate, as a result of the advocacy transfer. Additionally, while assigning the Communications and Electronics Command responsibility for UAV sensor development may be an appropriate decision,

there remains a strong possibility that the split responsibility may lead to schedule conflicts between the platform and sensor programs.

The committee directs the Secretary of the Army to ensure that UAV and sensor programs are not weakened as a result of the proposed transfer of responsibility.

Asbestos pilot project

The budget request contained $11.5 million in PE 63779A for environmental quality technology, but included no funds for the asbestos pilot project. The committee supports research and development to improve asbestos waste reduction and reduce disposal cost.

The committee recommends $13.5 million in PE 63779A, an increase of $2.0 million for the asbestos pilot project.

Brilliant anti-armor submunition

The budget request contained $55.1 million in PE 64768A for the development of an Army Tactical Missile System (ATACMS) Penetrator program. The committee notes that $30.4 million is also included in PE 64327N in the future years defense program (FYDP) to develop the system concept and architecture and demonstrate and validate an ATACMS encapsulated launch capability from a Ship, Submersible, Guided Nuclear (SSGN) platform.

The committee understands that the ATACMS Penetrator program was developed from an advanced concept technology demonstration and originated from a fiscal year 1998 Defense Threat Reduction Agency study, which identified the need to attack a finite target set in one worldwide theater of operation. The committee also understands that an adequate number of ATACMS Penetrator missiles have been produced to fulfill this requirement. However, the Army now has been burdened with a development and procurement program to produce 180 missiles to service hardened and deeply buried targets in multiple theaters of operation, which is well beyond the scope of the initial requirement. The committee understands the original requirement, however, it notes that initially the Army, Department of Energy, and the Department of the Navy were equal partners at the program inception. Now the Army alone has been directed to fund $425.2 million for this project through the FYDP out of existing budget authority for a vaguely defined Office of the Secretary of Defense project.

While the committee understands the need for options to service hardened and deeply buried targets, it believes that this weapon may have limited effectiveness against these types of targets based on technical data provided to the committee by the Department of Defense, and that other, less costly capabilities exist in the United States' inventory to better address these threats. The committee notes that the operational requirements document (ORD) is not expected to be completed until February 2004, and that it is only planned to be an Army ORD, yet an extended range variant may be developed by the Army, which would be incorporated into Navy SSGN platforms. The committee also questions the incorporation of this capability into SSGNs, which the committee believes may unnecessarily expose these submarines to threats in littoral regions when required to operate close to shore to ensure that these mis-

siles can be effectively employed against targets in interior regions of potentially hostile countries.

Prior to the obligation of any fiscal year 2004 funds for ATACMS Pentrator in PE 64768A, the committee strongly urges the Secretary of Defense to review the ATACMS Penetrator program to determine if a more efficient and cost effective ATACMS capability could be fielded versus a system with a projected $1.1 million unit cost, which only provides a limited capability to penetrate earthen or reinforced structures up to 20 feet deep. The Secretary is also urged to review the utility of the program with regards to the missile's operational ranges and the impact of those ranges on the weapon's employment by both ground forces as well as from SSGNs.

Broad area unmanned responsive re-supply operations

The budget request contained $72.1 million in PE 63003A for aviation advanced technology, but included no funds for broad area unmanned re-supply operations (BURRO).

The committee is aware that the Army aviation technology directorate is working to develop an autonomous external lift unmanned aerial vehicle. The committee is also aware that the Marine Corps has previously conducted similar work including BURRO. The committee recommends an increase of $9.7 million in PE 63003A to include BURRO in the quick delivery advanced concept technology demonstration.

Brooks Energy and Sustainability Lab

The budget request included $45.4 million in PE 62784A for military engineering technology but no funding for the Brooks Energy and Sustainability Lab.

The committee supports energy conservation initiatives of the Department of Defense, encourages further efforts to enhance infrastructure life cycle operations and cost effectiveness, and to improve energy efficiency on military installations.

The committee recommends $47.4 million in PE 62784A, an increase of $2.0 million for the Brooks Energy and Sustainability Lab.

Cadmium zinc telluride detectors

The budget request contained $19.9 million in PE 65805A for munitions standardization, effectiveness and safety, and included $2.5 million for lifecycle pilot processes.

The committee is aware that an important part of lifecycle cost reduction efforts is developing and prototyping critical technologies that can be transferred to the ammunition industrial base. The committee notes that cadmium zinc telluride technology holds promise of affordable x-ray detectors for both munitions inspection and baggage surveillance.

The committee recommends an increase of $3.5 million in PE 65805A for cadmium zinc telluride detector development.

Commercial-off-the-Shelf (COTS) fuel filtration device

The budget request included $25.0 million in PE 62601A for leveraging commercial investments in automotive technology re-

search and development to support the Army's current and future combat and tactical wheeled vehicle fleet.

The committee has long supported efforts to advance the operational performance and overall life cycle costs of defense weapon systems and tactical vehicles. The committee is aware of and supports current Department of Defense affordability initiatives, including efforts aimed at fuel efficiency improvements. The committee is aware of a commercially-developed air/fuel separation and filtration technology offering improvements in engine performance and fuel savings in diesel, JP–8, and potential biodiesel applications. Performance tests to date indicate fuel savings as high as 40 percent in some scenarios. Tests also suggest improvements in engine torque output, horsepower, particulate emissions, and throttle response. The committee believes a comprehensive scientific test of the technology on current Army tactical vehicles would be beneficial, encourages further work in this area, and supports a collaborative effort between the Department of the Army and the Center for Environmental Science and Technology.

Therefore, the committee recommends an increase of $2.5 million in PE 62601A to conduct a comprehensive collaborative test of filtration technology.

Defense Language Institute research and development

The budget request contained no research and development funds for the Defense Language Institute (DLI).

The committee is aware that DLI has been using operations and maintenance funding to support language training research and development. The committee notes that emerging technology offers potential to greatly improve language training, increase instructor efficiency, and support better maintenance of language proficiency. The committee believes that appropriate research and development funding should be provided to develop better language training capability.

The committee recommends an additional $5.0 million for language training technology development in PE 63748A, and directs the Secretary of Defense to establish a permanent program element for this purpose.

Desert terrain analysis

The budget request contained $128.8 million in PE 61102A for Defense research sciences, but included no funds for desert terrain analysis (DTA).

The committee is aware that the desert terrain analysis project is to develop technologies for predicting terrain conditions and surface responses in desert regions for the purpose of supporting military operations.

The committee recommends $132.8 million in PE 61102A, an increase of $4.0 million for DTA.

Electromagnetic Gun Initiative

The budget request contains $5.9 million in PE 61104A for electromagnetic gun basic research, $4.9 million in PE 62618A for applied research in electromagnetic gun technology and $19.7 million in PE 63004A for electromagnetic gun advanced technology development. The budget request also contained $50.6 million in PE

63123N for force protection advanced technology development, including $30.0 million for surface ship and submarine hull, mechanical, and electrical advanced technology development. The Navy's descriptive summary accompanying the budget request states that the Navy will initiate a program for the development of electromagnetic gun technology in fiscal year 2004; however, no specific funds were designated for this activity.

Elsewhere in this report, the committee has recommended a legislative provision that would require the Secretary of Defense to establish a collaborative program to develop and demonstrate advanced technologies and concepts that would lead to advanced guns systems that use electromagnetic propulsion for direct and indirect fire applications. The committee believes that the development of electromagnetic gun technology would have potentially high payoff for U.S. armed forces in both direct and indirect fire weapons system, and that the major investment made by the Department of Defense (principally by the Army) in this technology over the last 20 years is beginning to provide significant returns. The committee believes that stable funding for continuing technology development and demonstration is needed to establish the viability of the technology for potential applications, including ground combat vehicle main guns, air defense, long-range ship-to-shore fire support, and precision air-to-ground standoff weapons.

Accordingly, the committee recommends the budget requests of $4.9 million in PE 62618A for electromagnetic gun applied research and $19.7 million in PE 63004A for electromagnetic gun advanced technology development. The committee also recommends $8.0 million in PE 61104A for electromagnetic gun basic research, an increase of $2.1 million, and an increase of $7.6 million in PE 63123N for electro-magnetic gun advanced technology development.

Hemoglobin-based oxygen carrier

The budget request contained $35.2 million in PE 63002A for medical advanced technology development and $9.1 million in PE 64771N for medical system development and demonstration. No funds were specifically requested to continue the development of hemoglobin-based oxygen carrier technology.

The committee notes the Department of Defense (DOD) Inspector General's audit of DOD's blood program in 2001 that highlighted programmatic shortfalls in the Department's ability to meet its stated requirements and noted specifically that hemoglobin-based oxygen carriers could minimize or eliminate the storage and transportation problems identified in the report. Congress provided $1.0 million in fiscal year 2002 to initiate a program for evaluation of hemoglobin-based oxygen carriers for the treatment of trauma casualties and an additional $4.5 million in fiscal year 2003 for an Army advanced medical technology program of phase II clinical trials. The committee understands that based on the progress in the program the Navy has established a cooperative research and development agreement for a definitive Phase III clinical trial.

The committee recommends an increase of $5.0 million in PE 63002A and $5 million in PE 64771N to continue the program for development and clinical trials of hemoglobin-based oxygen carriers for treatment of trauma casualties.

Intelligence and Security Command global information portal

The budget request contained no funding in PE 33028A for security and intelligence activities, including no funding for the U.S. Army Intelligence and Security Command (INSCOM) global information portal. The committee recommends an increase of $5.0 million in PE 33028A to accelerate the Army INSCOM global information portal development.

Legacy parts reinvention

The budget request contained $66.0 million in PE 78045A for end-item industrial preparedness activities.

The committee notes growing logistics problems caused by the aging fleet of legacy systems and the increased cost and delays in the retooling and manufacture of specialty replacement parts because the original manufacturers either no longer produce the parts or are no longer in business. The committee is aware that by combining the capability of laser data acquisition and reverse engineering, manufacturing-ready technical data can be offered to multiple approved sources for the rapid manufacturing of obsolete components at significantly reduced costs. Laser processes utilizing scanning of parts to produce digital three-dimensional, computer aided design and manufacturing (CAD/CAM) models permit the rapid prototyping of replacement parts and development of parts technical data packages where parts data packages and design specification may not have existed.

The committee recommends $69.0 million in PE 78045A, an increase of $3.0 million to further develop the capability for use of laser data acquisition and reverse engineering for legacy parts and technical data packages in Army arsenals and depots.

Medium Extended Air Defense System

The budget request contained $276.3 million in PE 63869A for the Medium Extended Air Defense System (MEADS).

The committee does not believe that MEADS has reached a level of technical maturity that would recommend it for transfer to the Army. In August 2000, MEADS began a three year risk reduction effort as a follow on to the program definition and validation phase, and has not yet entered the system development and demonstration phase. MEADS will use the PAC–3 missile, which has undergone some operational testing, but many other system components simply do not exist in any form. For example, the committee is unaware of even a prototype C-130 transportable radar with 360 degree coverage capable of pacing the maneuver force. Pursuant to subsection 224(c) of title 10, United States Code, the Department of Defense notified the committee of its intent to transfer responsibility for the program from Missile Defense Agency (MDA) to the Army on April 2, 2003. However, the committee believes the Department falls short in its obligation under subsection 224(b) to certify technical maturity. As one of a very few international cooperative efforts in ballistic missile defense, the committee takes a special interest in the viability of this program.

The committee recommends the transfer of these funds to the MDA under the terminal defense segment PE 63881C. This is the third year that the committee makes this recommendation.

Metallic particles in defense applications obscurant smokes

The budget request contained $3.5 million in PE 62622A for chemical, smoke and equipment defeating technology, but included no funds for the metallic particles in defense applications (MPDA) obscurant smokes project.

The committee is aware that the MDPA project is to develop metallic or metal-based composites which can be used on the battlefield where smoke screens are used to hide troops or equipment from enemy view.

The committee recommends $8.5 million in PE 62622A, an increase of $5.0 million for MDPA.

Micro electro-mechanical systems inertial measurement unit/global positioning system

The budget request contained $43.3 million in PE 62303A for missile technology, and included $8.9 million for a micro electromechanical systems based integrated inertial measurement unit combined with a global positioning system (MEMS IMU/GPS).

The committee notes that the Army was selected by the Secretary of Defense to lead the joint service program to develop a MEMS IMU/GPS. The MEMS IMU/GPS is essential for precision guided weapons, and this competitive program is developing a single chip device that would reduce the cost of such capability by a factor of 50–100.

The committee recommends $53.3 million in PE 62303A, an increase of $10.0 million to accelerate MEMS IMU/GPS development.

Modular multi function laser system

The budget request contained $2.0 million in PE 64710A for continued development of the modular multi function laser system.

The modular multi function laser system development program would miniaturize existing laser rangefinder, laser aiming-light, and digital compass technologies and combine all these capabilities into one unit, which is presently not available for soldiers. Currently, multiple different systems which provide these separate functions must be carried by soldiers or be attached to their rifles. This new technology would reduce the weight of weapons by reducing the number of modular attachments carried on those weapons and simultaneously provide enhanced lethality. The committee understands that additional funds would continue form, fit, and function development of lightweight laser applications, increase laser range finding distances, and improve target marking and designation accuracies.

The committee recommends $5.0 million in PE 64710A, an increase of $3.0 million for continued development of the modular multi function laser system to support enhanced lethality in soldier systems.

Non system training devices and constructive simulation systems development

The budget request contained $8.8 million for Non System Training Devices and $14.7 million for Constructive Simulations Systems Development. These two systems are also known collectively as Warfighter's Simulation system (WARSIM). WARSIM is a computer-based simulation with associated hardware to support the

training of unit commanders and their battle staffs, from battalion through theater-level, as well as for the use of command post training events in educational institutions. WARSIM is intended to provide a comprehensive training environment capable of linking its simulation-based constructive entities with virtual and live entities. WARSIM was initially planned to fit into the larger, more comprehensive Joint Simulation system (JSIM) which has been cancelled. The committee is concerned that the Army has not taken the appropriate steps to re-evaluate WARSIM and what role this system will play now that JSIM no longer exists.

The committee recommends a reduction of $8.8 million for PE 64715A and a decrease of $14.7 million in PE 64742A.

Objective force bandwidth report

The committee directs the Secretary of the Army to provide to the congressional defense committees a report, on an annual basis starting February 13, 2004, identifying Objective Force bandwidth requirements, the manner in which development and testing progress will be measured against the requirements, and how bandwidth and frequency allocations will be made to the many systems that will be considered part of the network. The report should also identify and differentiate organic systems from assets borrowed or shared from other sources such as those in the commercial, national, and international domain.

The committee is aware that the Army's Objective Force will require a significant amount of bandwidth, throughput, and communications technologies improvements in order to achieve the interconnectivity among all of the components within the proposed network. This requirement will be a significant part of the Future Combat Systems design and directly affects its lethality, survivability, and effectiveness. The committee notes that a high level of risk exists with the concepts due to the need to simultaneously develop a number of technologies and operational concepts.

Palletized synthetic aperture radar moving target indicator radar sets

The budget request contained $20.3 million in PE 63772A for advanced technology development of advanced tactical computer and science technologies, but included no funds for Lynx palletized radar equipment sets.

The committee understands that commercially-available Lynx radar sets packaged in a palletized form would provide an affordable, state-of-the-art, synthetic aperture radar, ground moving target indicator to evaluate capabilities and requirements for potential unmanned aerial vehicle UAV sensors as part of the development of Future Combat Systems (FCS). The committee also understands that an increase in funds in fiscal year 2004 may accelerate additional situational awareness capabilities for Army combat units prior to the fielding of any FCS UAV's.

The committee recommends $24.3 million in PE 63772A, an increase of $4.0 million, for Lynx palletized radar equipment sets.

Patriot PAC–3

The budget request contained $174.5 million in PE 64865A for Patriot PAC–3.

The committee recognizes the need for additional funds for countermeasure improvements and aircraft identification friend or foe (IFF).

The committee recommends $253.5 million in PE 64865A, an increase of $79.0 million for Patriot PAC–3, including $10.0 million specifically for improved aircraft IFF. The committee directs that no funds for Patriot PAC–3 IFF improvement may be obligated until completion of the Army investigation into friendly fire incidents involving Patriot during Operation Iraqi Freedom.

Patriot PAC–2

The budget request contained $44.5 million in PE 23801A for missile/air defense product improvement.

The committee is aware that additional funding is required for Patriot PAC–2 aircraft identification friend or foe (IFF) improvements.

The committee recommends $54.5 million in PE 23801A, an increase of $10.0 million for Patriot PAC–2 aircraft IFF improvements. The committee directs that no funds for Patriot PAC–2 aircraft IFF improvement may be obligated prior to completion to the Army investigation of alleged mishaps involving Patriot during Operation Iraqi Freedom.

Portable and mobile emergency broadband system

The budget request contained $40.3 million in PE 63008A for electronic warfare advanced technology, but included no funding for the portable and mobile emergency broadband system. The committee is aware that the portable and mobile emergency broadband system provides a wide-area, rapidly deployable wireless voice and data network.

The committee recommends $48.9 million in PE 63008A, an increase of $8.6 million for the portable and mobile emergency broadband system.

Pseudofollicullitus Barbae Research

The budget request included $35.2 million in PE 63002A for medical advanced technology but no funding for the development of a treatment for Pseudofollicullitus Barbae.

The committee recognizes the importance of Pseudofollicullitus Barbae research, particularly as it affects military personnel deployability rates.

The committee recommends an increase of $1.0 million in PE 63002A for Pseudofollicullitus Barbae research.

Reconfiguring tooling

The budget request contained $72.1 million in PE 63003A for aviation advanced technology, but included no funds for the reconfiguring tooling system.

The committee recognizes the impact on the Army's aviation logistic and supply system from the increase in aviation deployments world-wide. The committee notes that development of a reconfigurable tooling system (RTS) that would allow repair of aviation composite materials at the deployed site would be beneficial to aviation readiness.

The committee recommends an increase of $3.0 million in PE 63003A for RTS.

Remote acoustic hemostasis

The budget request contained $58.9 million in PE 62787A for medical technology applied research.

The committee notes the results of research in high-intensity focused ultrasound technology that promises to provide a highly effective means of controlling internal bleeding. Lightweight, portable, and highly effective, remote acoustic hemostasis technology provides the capability to identify, and then eliminate the source of internal bleeding. Ongoing applied research and development has produced technologies and initial devices for advanced remote acoustic hemostasis that promises to improve battlefield combat casualty care and reduce battlefield and other trauma mortality among members of the armed services and among civilian personnel.

The committee recommends an increase of $8.2 million in PE 62787A to continue the development of this highly successful remote acoustic hemostasis technology.

Rugged textile electronic garments for combat casualty care

The budget request contained $35.2 million in PE 63002A for medical advanced technology development, including $1.5 million for advanced field medical protection technology. No funds were provided for development of rugged textile electronic garments for combat casualty care.

The committee notes advances in sensor technology, textile electronics, information management, and medical science that have opened up the potential for remote diagnosis, monitoring, and treatment of a range of medical conditions. Positive results from combat casualty care and electronic textiles research strongly suggest that major improvements can be made in the survival of wounded soldiers through the use of these technologies in an integrated system. Congress provided $1.0 million in fiscal year 2003 to initiate a program to develop the technology for, and assess the contribution that can be made by the use of advanced textile electronic garments in combat casualty care.

The committee recommends an increase of $3.0 million in PE 63002A to continue the program for development, demonstration, and evaluation of rugged textile electronic garments for combat casualty care.

ScramFire 120mm powered munition

The budget request contained $47.8 million in PE 63004A for weapons and munitions advanced technology, but included no funds for the ScramFire 120mm powered munition.

The committee is aware that powered munitions that accelerate throughout flight to the target offer increased velocity at the target for direct fire weapons or increased range for indirect fire. The committee notes that both the increased velocity for higher lethality and increased range for greater survivability are desirable characteristics for the Future Combat Systems.

The committee recommends $52.8 million in PE 63004A, an increase of $5.0 million for the ScramFire 120mm powered munition.

Wire detection, wind sensor and obstacle avoidance system for helicopters

The budget request contained $47.1 million in PE 63710A for night vision advanced technology, but included no funds for the wire detection, wind sensor and obstacle avoidance system for helicopters.

The committee is aware that the wire detection, wind sensor and obstacle avoidance system for helicopters offers the potential to substantially reduce helicopter accidents and also improve weapons delivery accuracy.

The committee recommends an increase of $5.0 million in PE 63710A for the wire detection, wind sensor and obstacle avoidance system for helicopters.

NAVY RESEARCH, DEVELOPMENT, TEST, & EVALUATION

Overview

The budget request contained $14,106.7 million for Navy research, development, test, and evaluation (RDT&E).

The committee recommends $14,343.4 million, an increase of $236.7 million to the budget request.

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, NAVY					
		BASIC RESEARCH					
0601103N	1	University Research Initiatives	70,669	6,000			76,669
		Naval Architecture and Engineering			6,000		
0601152N	2	In-House Laboratory Independent Research	17,400				17,400
0601153N	3	Defense Research Sciences	368,517				368,517
		TOTAL, BASIC RESEARCH	**456,586**	**6,000**	**6,000**	**0**	**462,586**
		APPLIED RESEARCH					
0602114N	4	Power Projection Applied Research	114,144	27,500			141,644
		Interrogator for High-Speed Retro Reflectometer			4,000		
		Hybrid Lidar-Radar for Improved Optical Imaging			3,500		
		FireLidar			2,000		
		Silver Fox Unmanned Aerial Vehicle			15,000		
		Integrated High Payoff Rocket Propulsion Technology program			3,000		
0602123N	5	Force Protection Applied Research	75,909	2,500			78,409
		Fire-retarded POSS composites			2,500		
0602131M	6	Marine Corps Landing Force Technology	31,778				31,778
0602232N	7	Communications, Command and Control, Intell, Surveillance	0				0
0602233N	8	Human Systems Technology	0				0
0602234N	9	Materials, Electronics and Computer Technology	0				0
0602235N	10	Common Picture Applied Research	59,022	6,000			65,022
		Theater Undersea Warfare Initiative			6,000		
0602236N	11	Warfighter Sustainment Applied Research	52,213	7,700			59,913
		Marine Mammal Research Program			2,200		
		Formable Aligned Carbon Thermosets			1,500		

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		Aerospace Materials Technology Consortium			4,000		
0602271N	12	RF Systems Applied Research	44,019	15,500			59,519
		Vacuum Electronics			9,500		
		Wide Band Gap Semiconductor Power Electronics			6,000		
0602435N	13	Ocean Warfighting Environment Applied Research	48,785	1,000			49,785
		Station-Keeping Ocean Environment Senors			1,000		
0602633N	14	Undersea Warfare Weaponry Technology	0				0
0602747N	15	Undersea Warfare Applied Research	62,583	2,500			65,083
		Low Acoustic Signature Motor/Propulsor			2,500		
0602782N	16	Mine and Expeditionary Warfare Applied Research	47,490				47,490
0602805N	17	Dual Use Science and Technology Program	0				0
		TOTAL, APPLIED RESEARCH	**535,943**	**62,700**	**62,700**	**0**	**598,643**
		ADVANCED TECHNOLOGY DEVELOPMENT					
0603114N	18	Power Projection Advanced Technology	173,478	30,500			203,978
		DP-2 Thrust Vectoring Program			10,000		
		Cruise Missile Real Time Retargeting/LADAR Technology			10,000		
		Low-Power Mega-Performance Unmanned Aerial Vehicle Processing Engines			7,500		
		Integrated High Payoff Rocket Propulsion Technology program			3,000		
0603123N	19	Force Protection Advanced Technology/CM/LSC-X	55,780	89,900			145,680
		Littoral Support Craft - Experimental			20,000		
		High Temperature Superconducting AC Synchronous Ship Propulsion Motor			15,800		
		Superconducting DC Homopolar Motor			8,000		
		Advanced Waterjet 21			3,000		
		Offshore Mobile Basing			10,000		
		Quad Hull Security Caisson Technical Demonstration			16,000		
		COTS Carbon Fiber Qualification			5,500		

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		Project M			4,000		
		Electromagnetic Gun Initiative			7,600		
0603235N	20	Common Picture Advanced Technology	69,194	12,000			81,194
		Consolidated Undersea Situational Awareness System			7,000		
		Integrated Maritime Picture System of Systems			5,000		
0603236N	21	Warfighter Sustainment Advanced Technology	54,794	8,500			63,294
		Reduction of Catapult Post-Retraction Exhaust Discharge			2,000		
		Emerging/Critical Interconnection Technology Initiative			5,000		
		IMPRINT			1,500		
0603271N	22	RF Systems Advanced Technology	45,475	13,000			58,475
		Remote Ocean Surveillance Systems			3,000		
		LPI Surveillance Radar Demonstration			10,000		
0603508N	23	Surface Ship & Submarine HM&E Advanced Technology	0				0
0603640M	24	Marine Corps Advanced Technology Demonstration (ATD)	56,404	9,000			65,404
		Rapid deployment fortification wall live-fire testing			3,500		
		Advanced Light Strike Vehicle			5,000		
		Mobile Expandable Shelters			500		
0603706N	25	Medical Development	0				0
0603707N	26	Manpower, Personnel and Training Adv Tech Dev	0				0
0603712N	27	Environmental Quality and Logistics Advanced Technology	0				0
0603727N	28	Joint Experimentation	151,058	(151,058)			0
		Joint Warfare Experimentation Program				(151,058)	
0603729N	29	Warfighter Protection Advanced Technology	11,435	12,500			23,935
		Biomedical Research Imaging			5,000		
		Organ Transfer Technology			3,000		
		Modeling and Simulation of Surgical Procedures for Battlefield Trauma			4,500		
0603747N	30	Undersea Warfare Advanced Technology	38,168				38,168

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0603757N	31	Joint Warfare Experiments	13,684	(13,684)			0
		Joint Warfare Experiments				(13,684)	
0603758N	32	Navy Warfighting Experiments and Demonstrations	20,584				20,584
0603782N	33	Mine and Expeditionary Warfare Advanced Technology	31,719				31,719
0603792N	34	Advanced Technology Transition	0				0
		TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	**721,773**	**10,658**	**175,400**	**(164,742)**	**732,431**
		ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES					
0603207N	35	Air/Ocean Tactical Applications	22,832				22,832
0603216N	36	Aviation Survivability	6,809				6,809
0603237N	37	Deployable Joint Command and Control	79,449	(47,000)			32,449
		Program Reduction				(47,000)	
0603254N	38	ASW Systems Development	11,149	6,000			17,149
		Nonlinear Dynamics Stochastic Resonance			4,000		
		Claymore Marine			2,000		
0603261N	39	UAV CONOPS	7,051	(7,051)			0
		UAV Concept Program Reduction				(7,051)	
0603382N	40	Advanced Combat Systems Technology	3,394				3,394
0603502N	41	Surface and Shallow Water Mine Countermeasures	140,731	9,000			149,731
		Surface Navy Integrated Undersea Tactical Technology			9,000		
0603506N	42	Surface Ship Torpedo Defense	48,347				48,347
0603512N	43	Carrier Systems Development	144,965				144,965
0603513N	44	Shipboard System Component Development	20,431	1,500			21,931
		Navy AQB Circuit Breaker Electronic Trip Units Second Source Qualification			1,500		
0603525N	45	PILOT FISH	95,301				95,301
0603527N	46	RETRACT LARCH	74,111				74,111
0603536N	47	RETRACT JUNIPER	20,526				20,526

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0603542N	48	Radiological Control	1,112				1,112
0603553N	49	Surface ASW	2,506				2,506
0603559N	50	SSGN Conversion	68,988				68,988
0603561N	51	Advanced Submarine System Development	52,744	38,700			91,444
		High Performance Brush Program			8,700		
		Submarine Payloads and Sensors			25,000		
		Advanced Composite Sail Phase II			5,000		
0603562N	52	Submarine Tactical Warfare Systems	6,027				6,027
0603563N	53	Ship Concept Advanced Design	7,679				7,679
0603564N	54	Ship Preliminary Design & Feasibility Studies	0				0
0603570N	55	Advanced Nuclear Power Systems	201,239				201,239
0603573N	56	Advanced Surface Machinery Systems	1,468				1,468
0603576N	57	CHALK EAGLE	17,463				17,463
0603581N	58	Littoral Combat Ship (LCS)	158,071	35,000			193,071
		Littoral Combat Ship Mission Module Development			35,000		
0603582N	59	Combat System Integration	86,836				86,836
0603609N	60	Conventional Munitions	42,539				42,539
0603611M	61	Marine Corps Assault Vehicles: AAAV	240,695				240,695
0603612M	62	Marine Corps Mine/Countermeasures Systems - Adv Dev: Mine Detector	1,215				1,215
0603635M	63	Marine Corps Ground Combat/Support System	19,700				19,700
0603654N	64	Joint Service Explosive Ordnance Development	12,385				12,385
0603658N	65	Cooperative Engagement	72,506				72,506
0603713N	66	Ocean Engineering Technology Development	18,180				18,180
0603721N	67	Environmental Protection	30,127				30,127
0603724N	68	Navy Energy Program	1,713				1,713
0603725N	69	Facilities Improvement	1,440				1,440
0603734N	70	CHALK CORAL	61,453				61,453

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0603739N	71	Navy Logistic Productivity	7,591				7,591
0603746N	72	RETRACT MAPLE	300,864				300,864
0603748N	73	LINK PLUMERIA	105,363				105,363
0603751N	74	RETRACT ELM	43,755				43,755
0603755N	75	Ship Self Defense	9,733				9,733
0603764N	76	LINK EVERGREEN	95,796				95,796
0603787N	77	Special Processes	53,450				53,450
0603790N	78	NATO Research and Development	7,941				7,941
0603795N	79	Land Attack Technology	63,434	67,000			130,434
		Affordable Weapon System			40,000		
		Naval Fires Network Tactical Dissemination Module			5,000		
		Autonomous Naval Support Round			20,000		
		Antijam GPS Receive/Comm Link for Hypersonic Projectile			2,000		
0603851M	80	Nonlethal Weapons	43,445				43,445
0603857N	81	Joint Combat Identification Evaluation Team (JCIET)	16,765				16,765
0603860N	82	Joint Precision Approach and Landing Systems	24,304				24,304
0603879N	83	Single Integrated Air Picture (SIAP) System Engineer (SE)	15,053				15,053
0603889N	84	Counterdrug RDT&E Projects	0				0
0604272N	85	Tactical Air Directional Infrared Countermeasures (TADIRCM)	0				0
0604327N	86	Hard and Deeply Buried Target Defeat System (HDBTDS) Program	0				0
0604707N	87	Space and Electronic Warfare (SEW) Architecture/Engineering Support	31,369				31,369
		TOTAL, ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	**2,600,045**	**103,149**	**157,200**	**(54,051)**	**2,703,194**
		SYSTEM DEVELOPMENT & DEMONSTRATION					
0603662N	88	Foreign Counter-Intelligence (FCI) - RDT&E					0
0603787N	89	Special Processes					0
0603831N	90	Classified Programs					0

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0604212N	91	Other Helo Development	66,764	1,000			67,764
		Advanced Cable Design for Mine and Submarine Warfare			1,000		
0604214N	92	AV-8B Aircraft - Eng Dev	10,527	7,000			17,527
		AV-8B ELMP			7,000		
0604215N	93	Standards Development	50,063	6,000			56,063
		Metrology			6,000		
0604216N	94	Multi-Mission Helicopter Upgrade Development	76,998				76,998
0604217N	95	S-3 Weapon System Improvement	0				0
0604218N	96	Air/Ocean Equipment Engineering	4,309				4,309
0604221N	97	P-3 Modernization Program	7,306	17,500			24,806
		AIP Phased Capability Upgrade			17,500		
0604230N	98	Naval Support System	1,466				1,466
0604231N	99	Tactical Command System	68,805				68,805
0604234N	100	E-2C Radar Modernization	352,298				352,298
0604245N	101	H-1 Upgrades	90,589				90,589
0604261N	102	Acoustic Search Sensors	15,831				15,831
0604262N	103	V-22A	441,142				441,142
0604264N	104	Air Crew Systems Development	8,765	4,000			12,765
		Joint Helmet Mounted Cueing System (JHMCS)			4,000		
0604270N	105	EW Development	51,879	15,000			66,879
		IDECM ALE-55 development testing			15,000		
0604271N	XX	EA-18G	204,822				204,822
0604273N	106	VHXX Executive Helo Development	197,431				197,431
0604280N	107	Joint Tactical Radio System - Navy (JTRS-Navy)	87,943				87,943
0604300N	108	DD(X)	1,037,987	4,000			1,041,987
		Knowledge Projection for Fleet Maintenance			4,000		
0604307N	109	AEGIS Combats Support Eng	205,733	45,000			250,733

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		AEGIS Open Architecture			10,000		
		S-band Radar Prototype			35,000		
0604311N	110	LPD-17 Class Systems Integration	7,989				7,989
0604312N	111	JASSM	25,137				25,137
0604329N	112	Small Diameter Bomb (SDB)	0				0
0604366N	113	Standard Missile Improvements	76,927				76,927
0604373N	114	Airborne MCM	88,514				88,514
0604503N	115	Submarine Systems Development	80,815	6,500			87,315
		Affordable Towed Array Construction			6,500		
0604504N	116	Air Control	10,472				10,472
0604507N	117	Enhanced Modular Signal Processor	1,006				1,006
0604512N	118	Shipboard Aviation Systems	18,352				18,352
0604518N	119	Combat Information Center Conversion	21,244				21,244
0604558N	120	Virginia Class Design Development	112,355	10,000			122,355
		Virginia Class Multi-Mission Module			10,000		
0604561N	121	SSN-21 Developments	13,482				13,482
0604562N	122	Submarine Tactical Warfare System	32,238				32,238
0604567N	123	Ship Contract Design/ Live Fire T&E	138,017				138,017
0604574N	124	Navy Tactical Computer Resources	2,267				2,267
0604601N	125	Mine Development	1,497				1,497
0604603N	126	SLAM-ER	9,701				9,701
0604610N	127	Lightweight Torpedo Development	3,442				3,442
0604618N	128	Joint Direct Attack Munition	33,029				33,029
0604654N	129	Joint Service Explosive Ordnance Development	8,136				8,136
0604703N	130	Personnel, Training, Simulation, and Human Factors	1,941				1,941
0604710N	131	Navy Energy Program	0				0
0604721N	132	Ship Information Warfare	16,942				16,942

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0604727N	133	Joint Standoff Weapon Systems	775				775
0604755N	134	Ship Self Defense (Detect & Control)	40,930	16,000			56,930
		Integrated Radar Optical Surveillance and Sighting System			16,000		
0604756N	135	Ship Self Defense (Engage: Hard Kill)	23,076				23,076
0604757N	136	Ship Self Defense (Engage: Soft Kill/EW)	35,508				35,508
0604771N	137	Medical Development	9,121	5,000			14,121
		Hemoglobin-based Oxygen Carrier			5,000		
0604777N	138	Navigation/ID System	45,726				45,726
0604784N	139	Distributed Surveillance System	28,755				28,755
0604800N	140	Joint Strike Fighter (JSF)	2,171,736				2,171,736
0604910N	141	Navy IT	552				552
0605013M	142	Information Technology Development	8,835				8,835
0605013N	143	Information Technology Development	30,562	9,000			39,562
		Naval Collaboration Tool Set			8,000		
		Open Architecture Wireless Sensors			1,000		
0605014N	144	IT Development	78,724	(28,000)			50,724
		Defense Integrated Military Human Resource System				(28,000)	
0605015N	145	Joint Counter-Intelligence Assessment Group (JCAG) - RDT&E	0				0
0605500N	146	Multi-mission Maritime Aircraft (MMA)	76,243	(17,500)			58,743
		Program Reduction				(17,500)	
0508713N	147	Navy Standard Integrated Personnel System (NSIPS)	4,653				4,653
		TOTAL, SYSTEM DEVELOPMENT & DEMONSTRATION	**6,239,357**	**100,500**	**146,000**	**(45,500)**	**6,339,857**
		RDT&E MANAGEMENT SUPPORT					
0604256N	148	Threat Simulator Development	28,004				28,004
0604258N	149	Target Systems Development	37,638				37,638
0604759N	150	Major T&E Investment	43,908				43,908

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0605152N	151	Studies and Analysis Support - Navy	4,431				4,431
0605154N	152	Center for Naval Analyses	40,726	1,600			42,326
		Fleet Architecture Studies			1,600		
0605155N	153	Fleet Tactical Development	2,006				2,006
0605502N	154	Small Business Innovative Research	0				0
0605804N	155	Technical Information Services	726				726
0605853N	156	Management, Technical & International Support	30,236				30,236
0605856N	157	Strategic Technical Support	3,883				3,883
0605861N	158	RDT&E Science and Technology Management	64,885				64,885
0605862N	159	RDT&E Instrumentation Modernization	13,554				13,554
0605863N	160	RDT&E Ship and Aircraft Support	78,648				78,648
0605864N	161	Test and Evaluation Support	258,471				258,471
0605865N	162	Operational Test and Evaluation Capability	12,094				12,094
0605866N	163	Navy Space and Electronic Warfare (SEW) Support	3,187				3,187
0605867N	164	SEW Surveillance/Reconnaissance Support	12,091				12,091
0605873M	165	Marine Corps Program Wide Support	16,635				16,635
0909999N	166	Financing for Cancelled Account Adjustments	0				0
		TOTAL, RDT&E MANAGEMENT SUPPORT	**651,123**	**1,600**	**1,600**	**0**	**652,723**
		OPERATIONAL SYSTEMS DEVELOPMENT					
0603660N	167	Advanced Development Projects					0
0603661N	168	Retract Violet					0
0101221N	169	Strategic Sub & Weapons System Support	104,793				104,793
0101224N	170	SSBN Security Technology Program	38,408				38,408
0101226N	171	Submarine Acoustic Warfare Development	2,955				2,955
0101402N	172	Navy Strategic Communications/E-6B	27,357				27,357
0203761N	173	Rapid Technology Transition (RTT)	14,662				14,662

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0204136N	174	F/A-18 Squadrons	179,047				179,047
0204152N	175	E-2 Squadrons	9,083				9,083
0204163N	176	Fleet Telecommunications (Tactical)	16,484				16,484
0204229N	177	Tomahawk and Tomahawk Mission Planning Center (TMPC)	71,385				71,385
0204311N	178	Integrated Surveillance System	14,278	7,500			21,778
		All Optical Underwater Segments			7,500		
0204413N	179	Amphibious Tactical Support Units	5,652				5,652
0204571N	180	Consolidated Training Systems Development	21,719	1,000			22,719
		Battle force tactical training coalition interoperability			1,000		
0204574N	181	Cryptologic Direct Support	1,466				1,466
0204575N	182	Electronic Warfare (EW) Readiness Support	11,927				11,927
0205601N	183	HARM Improvement	49,381				49,381
0205604N	184	Tactical Data Links	44,526				44,526
0205620N	185	Surface ASW Combat System Integration	12,179				12,179
0205632N	186	MK-48 ADCAP	17,227				17,227
0205633N	187	Aviation Improvements	60,073	3,000			63,073
		Automated Wire Analysis			3,000		
0205658N	188	Navy Science Assistance Program	7,236				7,236
0205667N	189	F-14 Upgrade	0				0
0205675N	190	Operational Nuclear Power Systems	62,751				62,751
0206313M	191	Marine Corps Communications Systems	235,722	4,000			239,722
		Digital Intelligence Situation Mapboard			4,000		
0206623M	192	Marine Corps Ground Combat/Supporting Arms Systems	35,439				35,439
0206624M	193	Marine Corps Combat Services Support	19,723				19,723
0207161N	194	Tactical AIM Missiles	2,322				2,322
0207163N	195	Advanced Medium Range Air-to-Air Missile (AMRAAM)	9,297				9,297
0301303N	196	Maritime Intelligence					0

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0301323N	197	Collection Management					0
0301327N	198	Technical Reconnaissance and Surveillance					0
0303109N	199	Satellite Communications (SPACE)	379,541	10,000			389,541
		Joint Integrated Satellite Communications Technology			10,000		
0303140N	200	Information Systems Security Program	18,404				18,404
0304111N	201	Special Activities					0
0305149N	202	COBRA JUDY	69,369				69,369
0305160N	203	Navy Meteorological and Ocean Sensors-Space (METOC)	4,966				4,966
0305188N	204	Joint C4ISR Battle Center (JBC)	50,413				50,413
0305192N	205	Joint Military Intelligence Programs	5,314				5,314
0305204N	206	Tactical Unmanned Aerial Vehicles	56,521	17,500			74,021
		Airborne Buried Mine Detection			2,000		
		Shadow 200 System Components for USMC			8,500		
		Unmanned Aerial Vehicle Joint Operational Test Bed System			7,000		
0305205N	207	Endurance Unmanned Aerial Vehicles	101,448	(8,400)			93,048
		Global Hawk Maritime Demonstration				(8,400)	
0305206N	208	Airborne Reconnaissance Systems	13,345	11,000			24,345
		Advanced Sensor Initiative			11,000		
0305207N	209	Manned Reconnaissance Systems	13,717				13,717
0305208N	210	Distributed Common Ground Systems	4,421	6,500			10,921
		Enterprise Targeting and Strike System (eTSS)			6,500		
0305927N	211	Naval Space Surveillance	0				0
0308601N	212	Modeling and Simulation Support	7,044				7,044
0702207N	213	Depot Maintenance (Non-IF)	9,073				9,073
0708011N	214	Industrial Preparedness	54,593				54,593
0708730N	215	Maritime Technology (MARITECH)	10,068				10,068
XXXXXXX	999	Classified Programs	1,028,497				1,028,497

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	**2,901,826**	**52,100**	**60,500**	**(8,400)**	**2,953,926**
	xxx	Information Technology Reduction		(100,000)		(100,000)	(100,000)
		TOTAL, RESEARCH, DEVELOPMENT, TEST & EVALUATION, NAVY	**14,106,653**	**236,707**	**609,400**	**(372,693)**	**14,343,360**

Items of Special Interest

Advanced cable design for mine and submarine warfare

The budget request contained $66.8 million in PE 64212N for anti-submarine warfare and other helicopter improvements.

The committee notes that anti-submarine warfare and mine countermeasures helicopters currently use heavy, steel reinforced tow cables that vibrate when deployed and degrade overall system performance. To address these shortcomings Congress added $1.2 million in fiscal year 2003 to initiate a program for development and evaluation of improvements in the cables used for towing mine and submarine warfare sensors and countermeasures.

The committee recommends $67.8 million in PE 64212N, an increase of $1.0 million to continue the program for development and evaluation of improvements in mine and submarine warfare sensor and countermeasure tow cables.

Advanced composite sail phase II

The budget request contained $52.7 million in PE 63561N for advanced submarine system development.

The advanced composite sail program for the Virginia class submarine is intended to demonstrate substantial additional payload capacity and low-observable improvements over conventional submarine sails. Phase II of the program addresses the incorporation of full-scale design features and load specifications that would be encountered by operational submarines, including damage assessment and repair.

The committee recommends an increase of $5.0 million in PE 63561N to continue the program for development, demonstration, and validation of technologies and techniques for advanced monitoring of the operational condition of composite sails, repair procedures, and procedures for enabling future payloads to be inserted into a composite sail without major redesign of the sail structure.

Advanced Navy materials

The budget request included $15.3 million in PE 62236N for advanced Navy materials.

Leadership in aerospace advanced materials technology is fundamental to U.S. competitiveness in the global economy. The Aerospace Materials Technology Consortium consisting of over 30 government, industry, and academic institutions is organized to provide synergy across the aerospace materials community in the development and application of advanced aerospace materials.

The committee recommends $19.3 million in PE 62236N, an increase of $4.0 million to support partnered projects for advanced technology materials development and demonstration projects.

Advanced sensor initiative

The budget request contained $13.3 million in PE 35206N for airborne reconnaissance systems, but included no funds for the advanced sensor initiative.

The advanced sensor initiative is a product improvement program to the existing shared reconnaissance pod (SHARP) carried on the Navy's F/A–18E/F aircraft. The SHARP provides continuous and immediate intelligence support to the battle group commander

by employing a suite of sensors to collect infrared, visible, and synthetic aperture radar digital imagery at medium and high altitudes. The advanced sensor initiative would further develop SHARP capabilities by improving its efficiency and maintainability and by providing enhanced processing and dissemination capabilities. The committee understands that such improvements could include replacement of existing mechanical camera shutters with semiconductor computer chips, miniaturizing separate medium- and high-altitude cameras into one zoom lens, and upgrading image processing to provide more rapid data dissemination capabilities. The committee also understands that reconnaissance products developed through the advanced sensor initiative could be adapted for use on smaller and lighter platforms such as unmanned aerial vehicles.

The committee recommends $24.3 million in PE 35206N, an increase of $11.0 million for the advanced sensor initiative, to improve the capabilities of the SHARP and to develop smaller reconnaissance architecture for other platforms.

Advanced WaterJet–21

The budget request contained $55.8 million in PE 63123N for force protection advanced technology. No funds were included to continue development and demonstration of the Advanced WaterJet–21 (AWJ–21).

The AWJ–21 is an advanced technology development program by the Office of Naval Research to validate the capability of the technology to meet the Navy's rigorous requirements for increased speed, stealth, maneuverability, and shallow draft that will be needed for 21st century ships operating in the littorals. Funding to date has supported construction of a one-quarter scale demonstrator and testing in the laboratory and in a water tunnel. The results to date indicate the potential for AWJ–21 technology as a low cost, low risk, and high performance propulsor for future ships.

The committee recommends an increase of $3.0 million in PE 63123N for AWJ–21 ship integration and at-sea testing to complete the AWJ–21 advanced technology demonstration.

Aegis open architecture

The budget request contained $205.7 million in PE 64307N for surface combatant combat system engineering, of which $80.4 million was included to continue development of the computer programs for the cruiser conversion program, but included no funds for Aegis open architecture.

The Aegis open architecture program maximizes software component interoperability for cross-platform re-use. The committee understands that the budget request is not sufficient to develop the open architecture required for introduction into the cruiser conversion program in fiscal year 2005, thereby ensuring timely introduction of the Aegis open architecture capabilities by fiscal year 2008 as required by both the Navy's and the Missile Defense Agency's sea-based missile defense 2010 plan.

The committee recommends an increase of $10.0 million in PE 64307N for the Aegis open architecture program.

Affordable towed array construction (ATAC) program

The budget request contained $80.8 million in PE 64503N for submarine systems equipment development, of which $5.7 million was included to continue development of affordable towed array technology initiatives, but included no funds for the ATAC program.

The ATAC program would accelerate an already planned and budgeted development of a fiber optic upgrade to the TB–29 and TB–29A towed arrays which are used as external acoustic sensors on the Navy's Los Angeles and Ohio Class submarine fleets. The committee understands that the ATAC program would accelerate system performance verification testing, implement automated manufacturing equipment, and qualify commercial suppliers for production of new highly reliable and low cost fiber optic towed arrays. The committee further understands that the ATAC program's methodology would result in a 50 percent reduction in unit cost and provide fleet life cycle cost savings of over $100.0 million.

The committee recommends $87.3 million in PE 64503N, an increase of $6.5 million for the ATAC program, to improve towed array reliability and significantly increase cost savings.

Affordable weapons system

The budget request contained $63.4 million in PE 63795N for land attack technology advanced component development and prototypes.

The Office of Naval Research (ONR) Affordable Weapon System (AWS) program is an advanced technology initiative to demonstrate the ability to design, develop, and build a capable and affordable precision guided weapon system at a cost that would be an order of magnitude cheaper than comparable weapon systems and in production would achieve a stable unit production cost very early in the production cycle.

The committee notes that the ONR program has been successful in all respects. In less than four years, the AWS program has demonstrated the use of commercial-off-the-shelf (COTS) components to construct a 400–600 mile range, subsonic (180–220 knot), "loitering, 200 pound payload, precision strike missile with global positioning system/inertial navigation system guidance and control and a data link." The missile has both line of sight and satellite data links for interaction with ground stations and forward observers and is reprogrammable in flight. In operational use the missile would be launched from CONEX-type containers that hold between six and twenty missiles and could be carried on land, sea, or air platforms. The initiative has demonstrated that the COTS approach can reduce costs by an order of magnitude from traditional cruise missiles. The current missile cost in large scale production, exclusive of warhead, is estimated to be $60,000. Within the last 16 months there have been ten successful flight tests that have demonstrated the missile's range, accuracy and other capabilities.

The committee believes that the AWS has enormous potential both for continued development and procurement as a weapon system to fill the gap between cannons and multiple launch rockets and missile systems such as Tomahawk that have longer range and larger warheads and in developing a new paradigm for the rapid development, transition to production, and fielding of new and in-

novative weapons systems. The committee notes that there are still significant issues to be resolved in transitioning AWS through system development into production: selection and integration of warhead(s); launcher development; production engineering; logistics supportability; training development; and development and operational test. The committee understands that the program is under review by the Navy for transition in the fiscal year 2006 budget. The committee believes that the success demonstrated by the system to date and the operational contribution that the capability would provide to U.S. forces justify seeking new ways to accelerate transition from science and technology to fielded capability.

Accordingly, the committee recommends an increase of $40.0 million in PE 63795N to continue development of the AWS, and $138.0 million in Weapons Procurement Navy for AWS procurement.

Airborne buried mine detection

The budget request contained $56.5 million in PE 35204N for tactical unmanned aerial vehicle development.

The committee understands that emerging technology for small imaging synthetic aperture radars has the potential capability for detecting the location of buried metallic and plastic land mines with relatively high accuracy. When mounted in an unmanned aerial vehicle, such a capability could meet the requirements of the Army, Navy, and Marine Corps for airborne detection of buried land mines. The committee further understands that the Department of Defense has allocated $1.0 million for the demonstration of an airborne prototype of such a radar in an unmanned aerial vehicle.

The committee recommends an increase of $2.0 million in PE 35204N to accelerate the development and demonstration of the mine detection capability of small, imaging synthetic aperture radars mounted in an unmanned aerial vehicle.

ALE–55 development testing

The budget request contained $256.7 million in PE 64270N for electronic warfare development, but included no funds for ALE–55 development testing. Elsewhere in this report the committee directs that the budget request of $204.8 million, for development of the EF–18G aircraft, be established in a new program element, PE 64271N, leaving $51.9 million in PE 64270N or electronic warfare development.

The ALE–55 is a fiber optic towed decoy being developed for the integrated defensive electronic countermeasures system, which is planned for future installation on the Navy's F/A–18E/F aircraft fleet. The committee understands that the ALE–55 development program has been significantly delayed due to funding limitations and terminated Air Force participation, and that further ALE–55 development delay will place F/A–18E/F aircrews at increased surface-to-air missile attack risk.

In order to complete ALE–55 development testing and operational evaluation and achieve a ALE–55 F/A–18E/F initial operational capability by fiscal year 2005, the committee recommends $66.9 million in PE 64270N, an increase of $15.0 million.

All optical underwater segments

The budget request contained $14.3 million in PE 24311N for integrated surveillance system operational systems development.

The committee notes continuing developments in optical fiber array technology and the Navy's application of that technology to both towed and fixed array underwater surveillance systems.

The committee recommends $21.8 million in PE 24311N, an increase of $7.5 million to accelerate the development of all-optical underwater surveillance systems.

Anti-surface warfare improvement program (AIP) phased capability update (PCU)

The budget request contained $7.3 million in PE 64221N for the P–3 modernization program, but included no funds for the AIP PCU program.

The AIP upgrades the P–3's communications, survivability, and over-the-horizon targeting capabilities through the installation of commercial-off-the-shelf components, and the PCU program systematically improves the AIP to meet new and emerging operational needs. The committee understands that the next PCU phase would develop a real-time targeting capability in AIP-equipped P–3 aircraft by improving sensor performance to provide precise target locations for dissemination to strike platforms.

The committee believes that real-time targeting capability is critical to the P–3's effectiveness.

The committee recommends $24.8 million in PE 64221N, an increase of $17.5 million for the AIP PCU program.

Automated wire analysis

The budget request contained $60.1 million in PE 25633N for aviation improvements operational systems development, including $1.4 million for development of aircraft equipment reliability and maintainability improvements.

The committee notes that in meeting today's operational requirements many Navy aircraft are flown beyond their design life, and mechanical, chemical, and thermal stress and the maritime environment degrade aircraft wiring systems. The committee is aware of automated capabilities for analysis of wiring systems, developed in conjunction with the National Aeronautics and Space Administration, that can provide instant processing, and highly accurate identification and location of faults in wiring harnesses. The committee believes that the improvement in troubleshooting capabilities provided by such technology would reduce operational and logistics costs and also, contribute to the reduction of in-flight failures by providing the ability to predict where a potential failure is most likely to occur.

The committee recommends $63.1 million in PE 25633N, an increase of $3.0 million for the evaluation of automated wire analysis technology in the Navy's aircraft equipment reliability and maintainability program.

Autonomous naval support round

The budget request contained $63.4 million in PE 63795N for land attack technology, including $10.0 million to begin development of the Extended Range Munition.

The Navy's Extended Range Guided Munition (ERGM) program is developing a long-range, precision munition for fire support of ground forces ashore and for surface strike missions. ERGM will be capable of being fired from newer DDG–51 destroyers equipped with the 5-inch, 62 (5″/62) caliber gun, but will not be compatible with older ships equipped with the 5-inch, 54 caliber (5″/54) guns. The Autonomous Naval Support Round (ANSR) is a rolling airframe, gun-fired projectile that has been used to demonstrate advanced gun-launched projectile and guidance and control technology and is capable of being employed from all Navy 5″/54-equipped ships as well as from new 5″/62-equipped ships. The committee notes that a successful ANSR demonstration program has led the Navy to plan a $70.0 million, 24-month system development and demonstration program for an Extended Range Munition and has included $10.0 million in the budget request to begin the program. The committee further understands that the Navy intends to include funding for the balance of the program in the fiscal year 2005 program objectives memorandum.

The committee recommends an increase of $20.0 million in PE 63795N to accelerate system development and demonstration for the Extended Range Munition.

AV–8B engine life management program (ELMP)

The budget request contained $10.5 million in PE 64214N for AV–8B design, development, integration and test, of which $2.3 million was included for the AV–8B ELMP.

The AV–8B ELMP is a comprehensive F402 engine program to improve its safety and reliability, and to increase the mean time between engine removals from 275 hours to 800 hours. The F402 is the single engine installed on all AV–8B aircraft. The committee understands that an increase is required in fiscal year 2004 to allow a third F402 accelerated simulated mission endurance test, to continue engine design improvements, and to provide improvements to the engine monitoring systems. The committee notes that both the Chief of Naval Operations and the Commandant of the Marine Corps have included the AV–8B ELMP among their unfunded priorities for fiscal year 2004.

Consequently, the committee recommends $17.5 million in PE 64214N, an increase of $7.0 million.

Battle force tactical training coalition interoperability

The budget request contained $21.7 million in PE 24571N for consolidated training systems development.

The Battle Force Tactical Training (BFTT) Programs provides realistic joint warfare training across the spectrum of armed conflict; realistic unit level team training in all warfare areas; a means to link together ships that are in different homeports for coordinated training; external stimulation of shipboard training systems; and simulation of non-shipboard forces. The committee believes that extending the BFTT training capability to allied forces and providing an enhanced capability for battle force and combat system team training in coalition naval operations would significantly enhance the operational capability of United States and allied naval forces.

The committee recommends $22.7 million in PE 24571N, an increase of $1.0 million to initiate a program to develop and dem-

onstrate in the BFTT program a training systems methodology and architecture that would facilitate combined battle force and combat systems team training among U.S. and allied naval forces.

Biomedical Research Imaging

The budget request contained $11.4 million in PE 63729N for warfighter protection advanced technology development.

The committee continues to note the progress being made in the use of advanced imaging technology in biomedical research. New imaging technology has allowed the observation of tumors as small as 1 mm in diameter and has allowed scientists to observe critical bio-chemical changes associated with tumors, strokes, and other disease states. The committee believes that these findings have important implications for advances in real-time medical diagnosis and treatment.

The committee recommends an increase of $5.0 million in PE 63729N to continue research in the applications of advanced imaging technology to biomedical research.

Claymore Marine

The budget request contained $11.1 million in PE 63254N for anti-submarine warfare (ASW) systems development.

The committee notes that the Navy established the Claymore Marine program to investigate and demonstrate a new littoral anti-submarine warfare (ASW) system that integrates the previously developed ATD–111 airborne ASW and mine hunting system with new signal processing algorithms to achieve a significant increase in performance. Results to date indicate that the concept should succeed. The Navy's fiscal year 2004 unfunded priorities list includes the need for an additional $2.0 million for the Claymore Marine program to support an at-sea demonstration and transition of the program to system development and demonstration.

Accordingly, the committee recommends an increase of $2.0 million in PE 63254N for the Claymore Marine program.

COBRA JUDY

The budget request contained $69.4 million in PE 35149N for COBRA JUDY.

The committee notes that following an analysis of alternatives (AoA) for a COBRA JUDY replacement, the Secretary of Defense, in agreement with the Director of Central Intelligence, has established a replacement program. The committee believes that even though the Air Force is conducting an additional AoA, the present program to provide a COBRA JUDY replacement is well founded and should go forward.

The committee is concerned that cost and schedule be maintained, and directs the Secretary of Defense to report to the congressional defense committees any changes to the present program as a result of the AoA in progress.

Combat systems integration/battle force interoperability

The budget request contained $86.8 million in PE 63582N for combat systems integration/battle force interoperability (CSI/BFI) advanced component development and prototyping, including $25.0

million for the small business innovative research (SBIR) Phase III common network interface (CNI) program.

The committee believes that this program, like the multipurpose process/advanced processing build process used in the submarine acoustic rapid commercial-off-the-shelf insertion program, can offer significant alternative approaches to AEGIS combat system modernization which will permit the rapid and affordable introduction of new capabilities and competitive alternatives.

The committee recommends $86.8 million in PE 63582N for CSI/BFI advanced component development and protyping, including $25.0 million for the SBIR Phase III program for development of CNI capabilities for theater missile and air defense.

Consolidated undersea situational awareness system

The budget request contained $69.2 million in PE 63235N for common picture advanced technology development.

The committee notes that command and control in combat is a complicated undertaking across all military problem domains, and it is particularly hard for those domains where the commander must make decisions based on a mass of dynamically changing, uncertain, and at best, partially correct critical data. The Consolidated Undersea Situational Awareness System (CUSAS) is an agent-based decision support system under development for submarine operations that uses an innovative hybrid Bayesian/differential game modeling approach. The resulting theory and technology will facilitate submarine operations by addressing such practical problems as tradeoff evaluation for course of action and maintaining tactical advantage while avoiding counter detection. In addition, the CUSAS system incorporates environmental data by integrating existing Navy programs and sonar operator training systems. The committee believes that successful development of the CUSAS decision support system would provide a capability that significantly assists submarine commanders who are under the stress of critical combat operations to make rapid, informed, and superior decisions.

The committee recommends an increase of $7.0 million in PE 63235N to continue the program for development and demonstration of the consolidated undersea situational awareness system.

Cruise missile real time retargeting/laser radar technology

The budget request contained $173.5 million in PE 63114N for power projection advanced technology development, including $67.9 million advanced development of time-critical strike technologies.

The committee notes progress in the Navy's program for development of low-cost, active terminal seekers for cruise missile real time retargeting. The combination of the three-dimensional mapping capability of a laser radar seeker, automated target recognition algorithms, and mission planning software which is used to relay new target search areas and retarget the missile while it is in flight provides the capability for rapid and accurate engagement of time-critical targets.

The committee recommends an increase of $10.0 million in PE 63114N to accelerate the Navy's program for cruise missile real-time retargeting.

DD(X) multi-mission surface combatant

The budget request contained $1 billion in PE 64300N to continue the program for development of the DD(X) class of U.S. Navy surface combatants, advanced development of component technologies and systems that are integral to DD(X), and preliminary and system design for the first DD(X) class ship. DD(X) is a multi-mission surface combatant tailored for land attack in support of the ground campaign and maritime dominance. The program is in the pre-systems acquisition phase of development, leading to design reviews in fiscal year 2004 and a Milestone B acquisition decision in fiscal year 2005. Delivery of the first ship of the class to the fleet is planned for fiscal year 2011.

The committee notes that the DD(X) program will provide the baseline for spiral development of technology and engineering required to meet future maritime requirements and for development of a range of future ships such as the future cruiser CG(X) and the Littoral Combat Ship (LCS). Just as its predecessor the DD–21, DD(X) will be the advanced technology platform for transformational technologies including an integrated power system and electric drive; the Advanced Gun System; the new Multi-Function Radar/Volume Search Radar suite; optimal manning through advanced system automation; stealth through reduced acoustic, magnetic, infrared, and radar cross-section signature; and enhanced survivability through automated damage control and fire protection systems.

The original concept for DD–21 that carried over into the DD(X) program included an Advanced Gun System and an Advanced Land Attack Missile System (ALAM) to provide naval surface fires for support of ground forces ashore and precision strike capabilities. These requirements have been major factors in driving a ship design for a DD(X) of approximately 17,000 tons, significantly larger than the current DDG–51 Arleigh Burke Class destroyer. However, an interim land attack missile system based on the Navy's Standard Missile was terminated in the fall of 2001 and there is no funding for development of ALAM in FY2003 or in the FY2004 budget request.

The committee notes that the Navy is currently engaged in a reassessment of the DD–21 operational requirements document and key performance parameters as a part of the DD(X) Spiral Development review, and that the results of the review may lead to decisions with regard to the design and size of the ship. The committee requests that the Secretary of the Navy inform the congressional defense committees on the results of the review and impact on the design and capabilities of DD(X).

The committee recommends $1 billion in PE 64300N as requested in the budget to continue the development of DD(X).

Deployable joint command and control

The budget request contained $79.4 million in PE 63237N for advanced component development and prototyping of the Deployable Joint Command and Control System (DJC2) and $46.6 million for procurement of a DJC2 suite for Pacific Command and of a technology update for the prototype DJC2 suite deployed with Central Command.

DJC2 is a Secretary of Defense and Chairman, Joint Chiefs of Staff, priority transformation initiative that would provide a standardized, deployable command and control capability for each regional combatant commander and one maritime variant, replacing the ad hoc command and control arrangements that are drawn from deploying forces and brought together at the last minute during a crisis. DJC2 supports the standing joint forces headquarters concept and doctrine developed by Joint Forces Command (JFCOM) in coordination with other regional combatant commanders and the Joint Staff, as directed in the Defense Planning Guidance, and would support day-to-day operations (including peacetime), as well as training and contingency operations.

The committee has supported the concept of establishing a standing joint force headquarters in each of the regional combatant commands and of providing standing and standardized joint command and control capabilities for the commands.

The committee, however, questions the acquisition strategy and program plan that has been proposed for DJC2. The committee notes that the initial DJC2 prototype was fielded in Central Command and used during Operation Iraqi Freedom and believes that there is much to be learned from the experience gained with the prototype. The committee notes further that because of the late establishment of the program office, the program is following an accelerated, highly parallel and overlapping schedule for concept formulation, analysis of alternatives, and operational requirements documentation leading to a Defense Acquisition Milestone B in April–June 2003, at the same time that the military services are compiling and prioritizing service command and control applications to create a DJC2 baseline and establish benchmarks for determining future needs. The fiscal year 2004 program includes procurement of two DJC2 equipment suites for JFCOM for testing and for experimentation, while at the same time developing a third suite for Pacific Command and upgrading the Central Command prototype. In order to make use of the lessons learned from the Central Command experience and to provide the opportunity for meaningful testing and experimentation before establishing the requirements for and fielding the next generation system, the committee believes a more deliberate development and acquisition process should be followed. The committee also questions the wisdom of separating the program office from the technical capabilities of the military departments' command, control, and communications research, development, and engineering activities.

Accordingly, the committee recommends $32.4 million in PE 63237N for continued development of DJC2, a reduction of $47.0 million, and no funding for DJC2 procurement, a reduction of $46.6 million. The committee directs the Secretary of the Navy in coordination with the Commander, Joint Forces Command, to report to the congressional defense committees by December 31, 2003, the operational requirement, program plan and schedule, funding required, and management plan for development of DJC2.

Digital intelligence situation mapboard

The budget request contained $235.7 million in PE 26313M for Marine Corps communications systems, but included no funding for the digital intelligence situation mapboard (DISM).

The committee strongly endorses the use of commercial-off-the-shelf (COTS) technology to meet the needs of the Marine Corps, while reducing development costs and schedules. The committee notes that DISM is a map-based situational awareness system employing standard military maps and messaging, that runs on ruggedized palmtop computers and connects to the existing Marine Corps SINGARS and other tactical radio networks. The committee is aware that after successful demonstration, DISM production was accelerated to equip deploying Marines.

The committee supports continued development of this capability, and recommends $239.7 million in PE 26313M, an increase of $4.0 million for DISM development.

DP–2 thrust vectoring system

The budget request contained $173.5 million in PE 63114N for power projection advanced technology development, but included no funding for continuation of the DP–2 thrust vectoring system demonstration.

DP–2 is a proof-of-concept program to demonstrate the use of jet-powered, thrust vector control in a light weight composite airframe to achieve vertical takeoff and short takeoff and landing in a one-half scale flight test vehicle. The committee notes the progress to date in the DP–2 program and believes that the potential of the DP–2 proof-of-concepts justifies continuation of the program.

The committee recommends an increase of $10.0 million in PE 63114N to continue development and demonstration of the DP–2 thrust vector system concept, leading to potential flight tests of the one-half scale airframe.

Emerging/Critical interconnection technology

The budget request contained $54.8 million in PE 63236N for warfighter sustainment advanced technology development, but included no funds for continuation of the emerging/critical interconnection technology program.

The committee notes that printed circuit boards are fundamental components of military navigation, guidance and control, electronic warfare, missile, and surveillance and communication equipment. Most printed circuit boards for military systems are characterized by the need for high performance, high reliability and the ability to operate under extreme environmental conditions, and require the use of high density, highly rugged and highly reliable interconnection technology. The committee also notes that the commercial printed circuit board industry focuses on the design and high-volume production of low-cost boards, and that the United States has lost much of its printed circuit board manufacturing capability to overseas sources. Recognizing the need to enhance the U.S. capability for development and production of high density, highly reliable printed circuit boards for use in U.S. military systems, Congress provided an increase of $1.0 million to the fiscal year 2003 budget request to accelerate improvements in printed circuit board technology to meet U.S. military requirements now and in the future.

The committee recommends an increase of $5.0 million in PE 63236N to continue the program for development of emerging and critical printed circuit interconnection technology.

Fire-retarded POSS composites

The budget request contained $75.9 million in PE 62123N for force protection applied research.

The committee notes that the use of composite materials in naval aircraft continues to increase and the use of composites for ship and submarine applications is becoming more acceptable. Organic polymers are the main component of the composite resin technology that is currently in use; however, the limited capability of composites to survive the effects of a shipboard fire is the main obstacle to more extensive use and there are no resin systems which entirely meet military standards. The committee notes that hybrid (organic-inorganic) POSS polymers have been demonstrated that meet the fire retardance standard of Military Specification 2031, but have not yet been qualified for use on board ships.

The committee recommends an increase of $2.5 million in PE 62123N for applied research in the design, fabrication, testing, and qualification of POSS composites for shipboard use by the Navy.

Formable aligned carbon thermosets

The budget request contained $52.2 million in PE 62236N for warfighter sustainment applied research, but included no funds for formable aligned carbon thermosets (FACTS).

The committee notes that composite materials used in aircraft construction have been demonstrated to save weight and operation and maintenance costs. However, production using existing composite products and composite lay-up procedures is expensive, with costs several times that of conventional metal structures. FACTS, a new product, employs stretch broken fibers to give the material plasticity akin to metals and makes it much easier to form parts. The new product is expected to significantly increase the percentage of the airframe that can be fabricated from composites, to reduce the cost of the composite structure, permit the use of more efficient designs, and significantly lower the weight of the airframe. Congress added $1.0 million for FACTS applied research in the fiscal year 2003 budget.

The committee recommends an increase of $1.5 million in PE 62236N to continue the development and demonstration of FACTS product technology.

Global Hawk maritime demonstration

The budget request contained $101.4 million in PE 35205N for endurance-unmanned vehicles, for the Global Hawk maritime demonstration (GHMD).

The committee notes that the GHMD is a program to determine what a high altitude endurance UAV (HAEUAV) can contribute to the Navy maritime surveillance mission. However, the committee also notes that the Air Force's Global Hawk program is an established program that is addressing many of the developments that the Navy is considering. In particular, the Air Force is addressing survivability suites and towed decoys. The committee cannot justify funding for duplicative efforts for the identical purpose by the Navy and Air Force, and encourages close cooperation.

The committee supports joint experimentation efforts between the Navy and the Air Force in their Global Hawk programs for all applications and missions, to include survivability.

The committee recommends $93.0 million in PE 35205N, a decrease of $8.4 million.

High performance electric brush

The budget request contained $52.7 million in PE 63561N for advanced submarine system development.

The committee notes that advanced high performance metal fiber brushes have demonstrated the capability to significantly enhance performance and reduce maintenance costs in a variety of naval motors and generators. The technology reduces environmental hazards associated with carbon brushes, improves operating efficiency and personal safety, and significantly reduces equipment failures. Advanced metal fiber brush technology is also a key element in the development of superconducting direct current homopolar motor technology for ship propulsion that is discussed elsewhere in this report.

The committee recommends an increase of $8.7 million in PE 63561N to accelerate the development and installation of high performance electric brush technology in electric motors and motor-generators for Navy submarines and other systems.

High temperature superconducting AC synchronous ship propulsion motor

The budget request contained $55.8 million in PE 63123N for force protection advanced technology development, including $34.2 million for advanced development of surface ship and submarine hull, mechanical, and electrical systems.

The committee notes that development of component technologies for the all electric warship is one of the major goals of the Navy's science and technology program. To this end the Navy has pursued the development of several different technologies for ship main propulsion electric motors, including permanent magnet motors, high temperature superconducting alternating current (AC) synchronous motor technology, and low temperature superconducting direct current homopolar motor technology. The committee notes that permanent magnet motor technology is more mature and represents a potential near-term candidate for a ship main propulsion motor. However, the committee also notes that superconducting motor technology presents a number of advantages with respect to size and power density that, if realized, would make that technology potentially advantageous for certain applications.

The Navy recently awarded a contract for development and demonstration of high temperature, superconducting AC synchronous motor technology in a 36.5 megawatt propulsion motor and drive system that would be designed to be compatible with Navy electric warship concepts and performance requirements. The committee understands that the Navy's budget request includes $10.0 million for this project in fiscal year 2004.

The committee recommends an increase of $15.8 million in PE 63123N to provide a total of $25.8 million in fiscal year 2004 to continue the development of the AC synchronous High Temperature Superconducting motor.

IMPRINT

The budget request contained $54.8 million in PE 63236N for warfighter sustainment advanced technology development, including $6.9 million for manpower, personnel, and human factor advanced technology development. No funds were requested to continue adaptation for Navy uses of non-Navy methodologies, such as the Army's MANPRINT program.

The committee believes that the use of the IMPRINT methodology will improve Navy modeling tools that optimize the classification of sailors to jobs and thereby improve job performance and satisfaction. In the long run, the committee also believes that improvements in performance and job satisfaction will result in improvements in total ownerships costs of Navy systems.

Accordingly, the committee recommends an increase of $1.5 million in PE 63236N to continue the development and integration of Navy manpower and personnel classification tools.

Integrated Maritime Picture System of Systems

The budget request contained $69.2 million in PE 63235N for common operational picture advanced technology development.

The committee notes ongoing activities in the Navy and in the other military departments to improve situational awareness and develop an integrated common operational picture for air, land, and sea commanders and their staffs. The committee also notes that the emphasis on increasing force protection for the fleet both in port and at sea will require the integration of information about sea ports, harbors, anchorages, and the maritime operational environment in an integrated maritime operational picture.

The committee recommends an increase of $5.0 million in PE 63235N for advanced development of an integrated maritime common operational picture that will include both force protection and seaport security information and systems.

Integrated radar optical surveillance and sighting system

The budget request contained $40.9 million in PE 64755N for ship self defense (detect and control) system development and demonstration.

The committee notes that, in view of the current world situation and the worldwide deployment of United States naval forces, protection of high value surface assets has become highly important. Current shipboard force protection measures are conduced by use of roving patrols and watch standers armed with small caliber crew-served weapons and short-range visual aids. Besides being labor intensive, current force protection measures using small caliber weapons have been shown to be ineffective against small boat threats and short-range visual aids do not provide adequate detection and safe stand-off ranges for the user.

The committee is aware that the Navy regards the Integrated Radar Optical Sighting and Surveillance System (IROS3) as a capable solution for shipboard force protection while a ship is alongside the pier, at anchorage, or transiting congested and restricted waters ways. IROS3 integrates commercial off-the-shelf systems in a non-proprietary, network architecture to provide a digital radar picture, electro-optical sensor, non-lethal deterrence, and remote engagement by small arms and minor caliber guns. In addition to

providing a capability to detect and classify asymmetric surface threats, maintain 360-degree situational awareness around the ship, and effectively engage small close-in threats, IROS3 will also enhance the capability for surface warfare, navigation, maritime intercept operations and related naval missions. In fiscal year 2002, $4.5 million was provided in Defense Emergency Response Funds for IROS3 and the Chief of Naval Operations fiscal year 2004 unfunded requirements list includes IROS3 as the Navy's #11 priority for funding.

The committee recommends $56.9 million in PE 64755N, an increase of $16.0 million to complete system development, integration, and test and evaluation of the IROS3 system.

Joint integrated satellite communications technology (JIST)

The budget request contain $379.5 million in PE 33109N for the Navy's Satellite Communications (SPACE) program, including $585,000 for fleet satellite communications.

The Joint Integrated Satellite Communications (SATCOM) Technology (JIST) is a web-based satellite communications planning and management technology that utilizes the Department of Defense's existing internet protocol router to expand the flexibility and efficiency of military satellite communications across a broad spectrum of radio frequencies. The committee believes that developmental systems like JIST, based on common standards, are key to increased satellite communications efficiency and maximizing the utilization of available spectrum resources across legacy and follow-on satellite communications systems.

The committee recommends $389.5 million in PE 33109N, an increase of $10.0 million to continue the JIST program for development of a uniform web-based architecture for SATCOM mission planning and resource allocations.

Joint warfare experiments

The budget request contained $13.7 million in PE 63757N for Joint Warfare Experiments, all of which is programmed to create a software support facility for delivery and maintenance of Block I of the Joint Simulation System (JSIMS).

The committee notes that JSIMS was considered to be the next generation modeling and simulation tool to support training for combatant commanders, their components, joint task force staffs, other joint organizations, Department of Defense agencies and the military services. JSIMS and all partner programs have been revised to discontinue development in fiscal year 2003 and the program is to be closed out.

The committee recommends no funding in PE 63757N for JSIMS software support, a decrease of $13.7 million.

Joint warfare experimentation program

The budget request contained $151.1 million in PE 63727N for the Joint Warfare Experimentation Program Experiments.

The Combatant Commander, U.S. Joint Forces Command (JFCOM) is chartered "as the Executive Agent for conducting joint warfighting concept development and experimentation within the Department of Defense." The Joint Warfare Experimentation Program implements this transformation mission through a process of

discovery, innovation, concept development, and experimentation to provide for optimal joint future force capabilities.

The committee has closely monitored the progress in and strongly supports the Joint Warfare Experimentation Program. The committee notes that military service and joint experiments leading up to the major exercise Millenium Challenge 2002 and the exercise itself developed and confirmed a number of operational concepts and changes to military service and joint doctrine that had immediate application in Operation Iraqi Freedom.

The committee notes, however, that funding for this joint program is reflected in the budget as an element of the Navy's science and technology program. The amount budgeted for the Joint Warfare Experimentation Program has increased significantly in the last two years and has now reached a point that it creates a false impression of the budget in the Navy science and technology account for support of Navy missions. The committee recommends that the program element for the Joint Warfare Experimentation Program be transferred to a Defense-wide Account.

Accordingly, the committee recommends no funding in PE 63727N for the Joint Warfare Experimentation Program and $151.1 million in a new Defense-wide program element, PE 63xxxD8Z, for the program.

Knowledge projection for fleet maintenance

The budget request contained $1.0 billion in PE 64300N for DD(X) multi-mission destroyer system development and demonstration, but included no funds to continue the "Knowledge Projection for Fleet Maintenance" project.

Congress provided $2.5 million in fiscal year 2002 and $1.5 million in fiscal year 2003 to support a collaborative program for development of a new system to remotely monitor Navy ships and enable off-board technical experts to assist ship's crew on-board technicians in ship maintenance and repair. The committee believes that the successful development and implementation of this approach to knowledge-based system diagnosis and repair could be increasingly important as the Navy makes the transition to ships with reduced numbers of personnel and as electronic equipment and other ships systems continue to become more complex.

The committee recommends an increase of $4.0 million in PE 64300N to complete development and demonstration of the "Knowledge Projection for Fleet Maintenance" project.

Littoral combat ship

The budget request contained $158.0 million in PE 63581N for Littoral Combat Ship (LCS) advanced component development and prototypes.

The Littoral Combat Ship (LCS) is a planned new Navy surface combatant for fighting in heavily contested littoral waters, and would be the smallest member of the Navy's DD(X) family of next generation surface combatants. The committee notes that prior to announcing the DD(X) family in November 2001, the Navy had no plans to acquire a smaller combatant like the LCS. The primary intended missions of the LCS are countering enemy mines, submarines, and fast attack craft (i.e. "swarm boats") in heavily contested littoral waters. Secondary missions include intelligence, sur-

veillance, and reconnaissance; homeland defense/maritime intercept; special operations forces support; and logistic support for movement of personnel and supplies. LCS would be the first Navy ship to separate capability from hull form, and modular mission payloads and open-system architecture are intended to be used to configure the LCS for particular missions. LCS will displace 2,000 to 3,000 tons—about the size of a Coast Guard cutter or a corvette, have a reduced crew size of 15 to 50 "core" crewmembers, and have a maximum speed of 40 to 50 knots.

The budget request indicates a total funding requirement of $4.1 billion in the fiscal year 2004-fiscal year 2009 Future Years Defense Program to accelerate development and construction of nine LCS. The desired cost of each ship with a representative mission module payload is estimated to be no more than $220 million. The Navy plans a spiral development acquisition strategy that will support construction of multiple flights of focused mission LCS with progressive capability improvements. The Navy wants to procure a total of 30 to 60 LCS toward its goal of achieving an overall fleet of 375 ships.

Prior to announcing the LCS program, the Navy did not conduct a formal analysis of alternatives to demonstrate that a ship like the LCS would be more cost-effective for performing the stated missions than potential alternative approaches. In the statement of managers (H. Rept. 107–772) that accompanied the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314), the conferees raised a number of issues with respect to development of LCS: meeting the requirements of a major defense acquisition milestone decision for initiation of concept and technology development; the acquisition strategy for development of the ship; development, integration and evaluation of the mission module packages that would be employed on the ship; and the program acquisition strategy. The Navy's February 2003 report that was submitted in response to the legislation was a brief, summary document that provided little detail with regard to the analysis performed by the Navy in developing the requirement and the concept for LCS. The committee expects that the Secretary of the Navy will address more completely the issues raised in the statement of managers prior to proceeding to an Acquisition Program Initiation decision in mid-fiscal year 2004.

The committee recommends an authorization of $158.0 million in PE 63581N to continue LCS development.

Littoral combat ship mission module development

The budget request contained $158.1 million in PE 63581N for Littoral Combat Ship (LCS) advanced component development and prototyping.

The committee notes unfunded requirements in the Navy's budget request for development risk reduction of anti-submarine warfare (ASW), anti-surface warfare (SUW), and mine warfare (MIW) mission modules for the LCS class ships.

In the statement of managers accompanying the conference report on H.R. 4546 (H. Rept. 107–772), the conferees expressed concern that the Navy's strategy for the LCS does not clearly identify the plan and funding for development and evaluation of the mission modules upon which the operational capability of the LCS will

depend. The conferees expressed the belief that the strategy for LCS development must provide for the identification, transition, and integration of the component technologies and subsystems to be included in the several mission modules and for the evaluation of each mission module as a system before its deployment on the LCS.

The committee notes that additional funds for development risk reduction for LCS mission modules would permit more mature entry of mission module technologies into the spiral development process, and would facilitate early identification and mitigation of programmatic risks associated with incorporation and integration of these systems into the basic ship design. The committee understands that the additional funds would specifically support interface and SUW, ASW, and MIW mission module development, experimentation, testing, and adaptation of the modules for incorporation into LCS Flight 0 ships. The additional funds would also support mission module experimentation and testing focused on use of offboard vehicles and Flight I mission module concept development for LCS Flight I ships.

The committee recommends an increase of $35.0 million in PE 63581N for LCS mission module development.

Littoral support craft-experimental

The budget request contained $55.8 million in PE 63123N for force projection advanced technology development, including $5.0 million to continue the development and construction of the Littoral Support Craft—Experimental (LSC–X).

LSC–X is an Office of Naval Research program for development and demonstration of technologies for a small, fast, experimental ship designed to operate in the littorals. Designed to carry a variety of mission modules, the ship will serve as a test bed for new technologies and new operational concepts that would provide enhanced capabilities for anti-submarine warfare, mine countermeasures, and other operations in the littoral. The Navy has issued a contract for construction of the ship, which according to the Navy's plan should be ready for initial sea trials in the summer of 2004.

The Secretary of the Navy submitted a report, dated August 6, 2002, that provides the Navy's plan for the development of the LSC–X. Since that report was prepared, the design for the LSC–X has matured and the size of the ship has grown, as has the expected cost to complete construction of the ship.

In the committee report on H.R. 4546 (H. Rept. 107–436), the committee expressed the view that a littoral support craft demonstrator such as the LCS–X design could be an effective experimental test bed for many of the technologies that might be chosen for use on a littoral combat ship. In the statement of managers accompanying the conference report on H.R. 4546 (H. Rept. 107–772), the conferees directed the Secretary of the Navy to develop LSC–X as a complete system, including such combat, communications and weapons systems interfaces as may be required to demonstrate technologies and modular payloads, such as the affordable weapon system, that might be considered for the Littoral Combat Ship program. The conferees also directed the Secretary to update his report on the LSC–X development plan, identify any funding required

for the LSC–X program, and submit the updated report with the budget request for fiscal year 2004. The Secretary's report has not been received by the committee.

The committee recommends an increase of $20.0 million in PE 63123N to continue the program for development and construction of the LSC–X as a complete system as directed in the conference report referenced above.

Low acoustic signature motor/propulsor

The budget request contained $62.6 million in PE 62747N for undersea warfare applied research.

The committee notes that the low acoustic signature motor/propulsor for electrically powered undersea vehicles (LAMPREY) plans to demonstrate an integrated motor-propulsor and power converter with extremely low acoustic signature for undersea vehicles. When integrated with an already developed, high power lithium-ion battery system, the LAMPREY program will represent a new propulsion system for an upgraded MK–48 Advanced Capability torpedo. The LAMPREY test vehicle will also represent a 1/20th-scale submarine and will provide valuable data for a larger scale version of the propulsion system that could ultimately be used in Virginia class submarines. The committee believes that a successful LAMPREY program would yield a propulsion system that provides a means of upgrading the existing torpedo inventory to a safer, lower cost electric propulsion system, improved torpedo stealth and reduced acoustic interference, and a small scale demonstrator for an advanced electric propulsion/integrated propulsor configuration for future submarines. Congress provided $2.1 million in fiscal year 2003 for the LAMPREY program.

The committee recommends $65.1 million in PE 62747N, an increase of $2.5 million to continue development and demonstration of the low acoustic signature motor/propulsor.

Low-power mega-performance unmanned aerial vehicle processing engines

The budget request contained $173.5 million in PE 63114N for power projection advanced technology, but included no funding for low-power mega-performance unmanned aerial vehicle processing engines.

The committee supports development of improved signal processing capability for unmanned aerial vehicles to support precision targeting and other missions.

The committee recommends an increase of $7.5 million in PE 63114N for low-power mega-performance unmanned aerial vehicle processing engines.

Low probability of intercept surveillance radar demonstration

The budget request contained $45.5 million in PE 63271N for force protection advanced technology development.

The committee notes that the ability to detect small targets in a cluttered sea environment in the littoral is a major problem in military operations in the littoral and in coastal surveillance operations. The application of low probability of intercept radars capable of covert detection of small threat ships operating in the sea clutter and against the background of the land radar clutter en-

hances the capability for both detection and intercept of such threats in defensive operations and for avoidance of such threats in covert offensive operations.

The committee recommends an increase of $10.0 million in PE 63271N for demonstration and evaluation of the use of advanced low probability of intercept, surveillance radars in littoral operational and coastal surveillance environments.

Manned reconnaissance aircraft replacement

The committee is aware that the military services are each facing requirements to replace existing manned reconnaissance aircraft, to include Army Guard Rail Common Sensor and Aerial Reconnaissance Low systems, the Navy Orion and the Air Force Rivet Joint. The committee is concerned that the services not only validate their future manned reconnaissance requirements, but also that these requirements be harmonized throughout the Department of Defense to prevent unnecessary duplication and assure interoperability, and take into consideration projected ground, unmanned and space-based capabilities.

The committee believes that this broad coordination and validation must be completed prior to selection of appropriate platforms by each service. The committee recognizes that platform selection is important, but believes that such a decision cannot properly be made until the required capability of that platform has been determined. While platform commonality is desirable, the committee recognizes that due to differences in mission requirements that may not be practicable or preferable across services. The committee understands that more important than selecting a single aircraft is selecting the proper aircraft to meet the mission requirements for each service.

The committee strongly encourages the Secretary of Defense to ensure that acquisition of future manned reconnaissance aircraft is based on a well defined mission capability the particular platform must meet, rather than a desire to use a particular type of aircraft, and then fitting the mission to it.

Marine mammal research program

The budget request contained $52.2 million in PE 62236N for warfighter sustainment applied research.

The committee notes continuing public concern about the effect of sound on the behavior and well-being of marine mammals and continues to support research in marine mammal behavior and the effects of sound on marine mammals. Fatal whale strandings over the past several years have been assumed to be the result of the introduction of loud sounds into the ocean, and have led to restrictions on scientific research and naval test and training activities that inject such acoustic signatures into the ocean environment. The committee also notes that limited data is available on the effects of such noise and that there is a need for greater understanding of the effects of human-generated and naturally-generated sounds on marine mammals.

Accordingly, the committee recommends an increase of $2.2 million in PE 62236N to continue the program for research in marine mammal behavior and the effects of sound on the behavior of marine mammals.

Metrology

The budget request contained $50.1 million in PE 64215N for standards development, including $1.3 million for calibration standards development. The budget request supports Navy lead-service responsibilities in the Department of Defense Joint Services metrology research and development program.

The Department of Defense's metrology research and development program develops new measurement standards and capabilities to support the development, test, evaluation, and maintenance of emerging military systems. The committee notes that continuing shortfalls in the metrology budgets of all the military departments have led to the erosion of critical calibration standards development and measurement services to the detriment of the development and support of new weapons systems. The committee is aware that while recent efforts to improve research and development funding are helping, a backlog of $22.0 million in projects exists for fiscal year 2004 and is expected to increase in fiscal year 2005 unless additional funding is made available.

The committee recommends $56.1 million in PE 64215N, an increase of $6.0 million for the Navy's metrology research and development program.

Mobile expandable shelters

The budget request contained $56.4 million in PE 63640M for Marine Corps advanced technology demonstrations (ATD), but included no funds for mobile expandable rooms.

The committee is aware of the need for highly mobile structures to support military operations including use as tactical shelters, emergency medical treatment clinics, food service facilities, and command centers.

The committee recommends an increase of $500,000 in PE 63640M to demonstrate expandable portable shelters.

Modeling and simulation of surgical procedures for battlefield trauma

The budget request contained $11.4 million in PE 63729N for warfighter protection advanced technology development.

The committee notes continuing advances in the use of modeling and simulation for the development of advanced surgical procedures for battle trauma and the utility of such simulations for the training of field medical personnel.

The committee recommends an increase of $4.5 million in PE 63729N to continue the program for development of new protocols for modeling surgical procedures applicable to battlefield trauma.

Multi-mission maritime aircraft

The budget request contained $76.2 million in PE 65500N for multi-mission maritime aircraft (MMA) replacement systems for the aging P–3/EP–3 aircraft.

The committee is aware that the Navy intends to pursue only the P–3 variant replacement system within MMA, and does not intend to continue the EP–3 replacement initiative within the line. Therefore, the committee understands that funding for the special reconnaissance technology insertion, replacements, and test articles for the EP–3 mission is no longer required.

The committee recommends $58.7 million in PE 65500N, a decrease of $17.5 million for the MMA program.

Naval architecture and engineering

The budget request contained $70.7 million in PE 61103N for University Research Initiatives.

The committee notes increased interest by the Navy in smaller, high-speed ships, such as the Littoral Combat Ship, for operations in the world's littoral regions. The Coast Guard also has requirements for such vessels for coastal security and drug intercept operations. At the same time that Navy interest in such ships is increasing, the numbers of naval architects and naval engineers being trained by the nation's colleges and universities with maritime engineering programs is decreasing and some institutions of higher learning are considering deleting such programs from their curricula. The committee believes that unless these trends are reversed, it is inevitable that U.S. Naval ships will eventually lag in both innovation and technical development. The committee is aware that the root causes of this phenomenon are complex and include the loss of career opportunities and university curricula in naval architecture and engineering. The committee believes there has been little focus on integrating all the engineering disciplines associated with shipbuilding, such as composite materials, hull design, propulsion systems, ship systems integration and automation. The committee also believes there is an urgent need for undergraduate and graduate instruction in the various disciplines that have contributed to the nation's preeminence in maritime systems, including naval architecture, hydrodynamics, and ocean engineering. The committee notes that the National Research Council recently issued a report on the status of this nation's facilities in the area of naval hydromechanics that called for significant national investment directed at improving U.S. capabilities in naval hydromechanics, and also called for "a more active collaborative relationship between university and (Navy) center researchers. . . ."

To address these issues, the committee recommends an increase of $6.0 million in PE 61103N for a grant for improvements in high-speed hydrodynamic research capabilities and university research programs in naval architecture, hydrodynamics, and ocean engineering.

Naval collaboration tool set

The budget request contained $30.6 million in PE 65013N for Navy information technology development.

The committee notes the development and application of network centric information systems and collaboration tools that use basic internet worldwide web technology and commercial-off-the-shelf computer and software products to enable operational commanders and their staffs to rapidly share battlespace information and situational awareness, thereby achieving greater mission effectiveness and speed of command and control. The ongoing application of information sharing and collaboration tools creates the opportunity for the Navy to capitalize on the experience gained in prototype web-based information systems now being used in the fleet in various warfare areas and develop a "best of breed," web-based set of collaboration tools that will enhance the ability of naval com-

manders and their staffs to operate in a common, integrated data environment. Congress provided $5.6 million in fiscal year 2003 to accelerate the development of naval collaboration tools that can be used in all naval warfare areas and domains.

The committee recommends an increase of $8.0 million in PE 65013N to continue the program for development of a common collaboration toolset that will be useable across all Navy warfare areas and domains.

Naval fires network tactical dissemination module

The budget request contained $63.4 million for land attack technology advanced component and prototype development, including $14.7 million for the Naval Fires Network (NFN).

The Naval Fires Network is a system that will automate, coordinate, and correlate, in real time, the processing of multiple tactical data streams from various surveillance and intelligence sources to provide time-critical fire control solutions for advanced weapon systems and sensors, and will provide the Navy an ability to quickly target and retarget precisions weapons, thereby greatly enhancing their effectiveness and lethality. The tactical dissemination module will provide the capability for transmitting target data directly from the NFN to the weapon system chosen to engage the target. As a part of the tactical dissemination module development and integration with NFN, concept of operations and operational deployment tactics are also being developed.

The committee recommends an increase of $5.0 million in PE 63795N to continue the development of the NFN tactical dissemination module.

Navy circuit breaker electronic trip unit second source

The budget request contained $20.4 million in PE 63513N for shipboard system component development.

The committee notes the development of circuit breakers with communicating electronic trip units and the planned use of such "smart circuit breakers" on the next-generation CVN-X aircraft carrier and perhaps on the DD(X) multi-mission destroyer as well.

The committee recommends an increase of $1.5 million in PE 63513N to develop and qualify a second source for Navy circuit breaker electronic trip units.

Navy information technology research and development

The budget request contained $78.7 million for PE 65014N to support the development of the Defense Integrated Military Human Resource System (DIMHRS).

The committee is seriously concerned about the lack of management oversight of this program. DIMHRS is already fifteen months behind schedule and a contract has not been awarded. Thus, when this information technology system begins initial operating capacity, the program will be two years behind schedule.

The committee recommends $50.7 million for PE 65014N, a decrease of $28.0 million.

Nonlinear dynamics stochastic resonance

The budget request contained $11.1 million in PE 63254N for anti-submarine warfare (ASW) systems development, including the

continued development and evaluation of nonlinear dynamics and stochastic resonance (NDSR) for acoustic, magnetic, and other ASW sensor and signal processing applications.

The committee notes the continuing progress in the application of nonlinear dynamics science and technology to nonacoustic shallow water ASW and the potential for greatly improved ASW system performance as a result of significantly increased electromagnetic detection ranges, enhanced sonar target discrimination, and improved signal processing.

The committee recommends an increase of $4.0 million in PE 63254N to continue development and evaluation of nonlinear dynamics and stochastic resonance for acoustic, magnetic, and other ASW sensor and signal processing applications.

Offshore mobile basing

The budget contained no funding for conceptual studies to examine the operational viability, costs and technological feasibility for mobile basing concepts.

The committee believes that based on real world lessons learned from both Operation Enduring Freedom and Operation Iraqi Freedom, maritime sea basing that removes dependence on host country willingness to allow U.S. forces to access host country facilities is a growing option that deserves consideration.

Accordingly, the committee authorizes an additional $10.0 million in PE 63123N for the purposes of examining concepts such as the Rapidly Deployable Inter-modal Facility for potential development by the Department.

Open architecture wireless sensors

The budget request contained $30.6 million in PE 65013N for information technology system development and demonstration.

The committee notes that the applications of wireless networking have achieved significant cost reductions and benefits to the U.S. Navy in ship building through the use of wearable computers, personal data assistants, and wireless communications devices that enable supervisors, engineers, technicians, and construction workers to coordinate their activities more efficiently. The committee believes that the future insertion of wireless network applications through the shipboard environment and the converging of multiple networks into a single ship-wide network could facilitate significant improvements in ship operations, damage control, maintenance, and other activities.

The committee recommends an increase of $1.0 million in PE 65013N for development and demonstration of open architecture wireless sensors and their applications to improvements in ship operations, maintenance and monitoring of ship systems, damage control, and other activities.

Organ transfer technology

The budget request contained $11.4 million in PE 63729N for warfighter protection advanced technology development. No funds were requested for continuation of the organ transfer technology program.

The committee continues to note progress in the development of immune therapies by investigators at the Naval Medical Research

Center that have been shown to prevent the rejection of tissue and organ transplants without the need for continuous use of immunosuppressive drugs. In fiscal year 2001 the Chief of Naval Research initiated a program to capitalize on these newly developed methods of treatment and Congress has provided a total of $8.0 million in support of the clinical trials program since fiscal year 2001.

The committee notes the continuing progress in the clinical trial program. The committee believes that the ability to transplant massive tissue segments without rejection could revolutionize the treatment of combat casualties who suffer significant tissue loss or organ damage from blast, missile fragments or burns.

The committee recommends an increase of $3.0 million in PE 63729N to continue the organ transfer technology clinical trials program.

Project M

The budget request contained $55.8 million in PE 63123N for force protection advanced technology development.

The committee notes the progress in the Office of Naval Research (ONR) program to evaluate the ability of Project M technology to mitigate the high shock and vibration experienced by the Navy SEALS Mark V patrol craft crew and passengers in high-speed special operations. Project M is an active noise and vibration cancellation system that was developed in the Navy's advanced submarine technology program. Proof-of-principle laboratory tests using advanced six degree-of-freedom simulators developed in the program have demonstrated the clear ability of the technology to reduce Mark V patrol craft shock loading and vertical acceleration to acceptable levels and reduce the potential for crew and passenger injury that would otherwise occur. The committee believes that the technology is ready for transition from the science and technology base and should be considered favorably by the Navy and by the Special Operations Command for implementation in the Mark V patrol craft and in other systems in which the acceleration levels and shock loading that would be experienced by passengers and crew are dangerously high.

The committee also notes the application of Project M technology to reduce the magnetic signature ("degauss") of electric propulsion motors. As the Navy places increased emphasis on the introduction of the "electric" ship and the use of electric motors for ship propulsion, reduction of the magnetic signature of the ship as a defense against magnetic-influence mines, particularly in littoral operations, will become increasingly important. Project M technology has been demonstrated in the laboratory to reduce the pronounced magnetic signature present in a relatively large (1,000 horsepower) electric motor to the magnetic intensity of the earth's magnetic field with the result that the motor's magnetic signature disappears into the background of the earth's magnetic field. The committee strongly recommends that the Navy consider the exploitation of the Project M technology for magnetic signature reduction in new construction ships such as the DD(X) destroyer and the Littoral Combat Ship.

The committee recommends an increase of $4.0 million in PE 63123N to continue the development and demonstration of Project M technology. The committee directs the Secretary of the Navy, in

coordination with the Commander, Special Operations Command, to report to the congressional defense committees by March 1, 2004, plans for transition of Project M shock reduction technology to potential operational use. The committee also directs the Secretary to report Department of the Navy plans for further development, evaluation, and exploitation of Project M technology for magnetic signature reduction.

Quad hull security caisson technical demonstration

The budget request contained $55.8 million in PE 63123N for force protection advanced technology development.

The committee notes that many strategic ports in the United States have military pre-positioned ships, sensitive land-based resources, and facilities that are highly vulnerable to waterside terrorist attacks. In high volume, higher threat locations where Navy and other strategic ships share the port in close proximity to commercial containers, international tankers, and other watercraft, and in ports with international commercial shipping, Navy and military strategic ships may require the use of additional protective measures that could minimize the potential for damage to the ships and their crews. The committee is aware of initial studies and analysis of the ability of caisson security barriers to provide robust and economical protection against attack, both above and below the waterline of the protected ship.

The committee recommends an increase of $16.0 million in PE 63123N to initiate a program for development and evaluation of caisson security barriers for ship and port protection.

Rapid deployment fortification wall live-fire testing

The budget request contained $56.4 million in PE 63640M for Marine Corps advanced technology demonstration (ATD), but included no funds for rapid deployment fortification wall live-fire testing.

The committee is aware that the rapid deployment fortification wall, if proven in live-fire testing, offers significantly faster means to provide force protection compared to sand bagging.

The committee recommends an increase of $3.5 million in PE 63640M for rapid fortification wall.

Reduction of catapult post-retraction exhaust discharge

The budget request contained $54.8 million in PE 63236N for warfighter sustainment advanced technology development.

The committee notes that, prior to an aircraft carrier catapult launching stroke, lubricating oil is applied to the catapult cylinder. Over the course of multiple launchings the circulation of oil and water through the water brake cylinder and tanks leads to the formation of an oil layer in the water brake tank, which must be skimmed off and discharged overboard periodically. The committee believes that today's technology allows for the use of dry lubricants on sliding mechanisms that have the potential to reduce the overall discharge of lubricants into the sea, while at the same time improving catapult system performance and reducing maintenance requirements. The committee recommends that the Secretary of the Navy establish a project to analyze failure modes in existing aircraft carrier systems and the potential for replacement of current

petroleum based lubricants with dry lubricants that might be more environmentally safe. The committee also believes that this project should be accompanied by the development of a wireless system that would permit real-time monitoring of catapult performance.

Accordingly, the committee recommends an increase of $2.0 million in PE 63236N for reduction of catapult post-retraction exhaust discharge and development of a real-time catapult performance monitoring system.

Remote ocean surveillance system

The budget request contained $45.5 million in PE 63271N for radio frequency systems advanced technology development.

The committee notes developments in high contrast, high resolution multi-spectral sensors and image processing technology that indicate potential capabilities for detection of objects in the ocean in real time, at various depths, and with relatively high search rates. Realization and employment of these technologies in littoral areas, estuaries, and ports would provide the capability for a remote ocean surveillance system for mine detection and avoidance, force protection, and identification and dissemination of information on surface/sub-surface threat to ports and harbors.

The committee recommends an increase of $3.0 million in PE 63271N to initiate a proof-of-concept demonstration of multi-spectral sensor and image processing technology for a remote ocean surveillance system.

Shadow 200 system components for the Marine Corps

The budget request contained $56.5 million in PE 35204N for tactical unmanned aerial vehicles but included no funds for Shadow 200 system components for the Marine Corps.

The committee is aware that operation and maintenance of Marine Corps Pioneer unmanned aerial vehicle systems could be greatly enhanced if upgraded with certain Shadow 200 components.

The committee recommends an increase of $8.5 million in PE 35204N for Shadow 200 vehicle control system software and ground data terminals for the Marine Corps.

Shipboard fire protection

The budget included $114.1 million in PE 62114N for applied research, in part, to support the protection of naval shipboard assets and expeditionary forces ashore. Shipboard and ashore fires threaten sailors and valuable assets. Current thermal imaging technology suffers thermal bloom and inhibits firefighters attempting to rescue personnel and contain fires. Technology exists that offers promise of providing non-thermal light detection and ranging technology that provides both the visualization of victims that are obscured by the glare and thermal bloom of fire and their surroundings (steps, obstructions, missing floors, fallen objects, etc.). The same technologies could provide operational utility by providing the ability to visualize targets through flame and smoke obscured battlefields.

The committee recommends an increase of $2.0 million in PE 62114N for applied research into promising non-thermal imaging technologies, to include firelidar, for military and civilian firefighting and operational applications.

Silver Fox unmanned aerial vehicle

The budget request contained $114.1 million in PE 62114N for power projection applied research, and included no funds for the Silver Fox unmanned aerial vehicle (UAV).

The committee is aware that the Office of Naval Research accelerated development of the Silver Fox UAV to support urgent military requirements. The committee notes that early reports indicate that Silver Fox has been very effective in the combat environment.

The committee recommends an increase of $15.0 million in PE 62114N for development and initial fielding of the Silver Fox.

Station-keeping ocean environment sensors

The budget request contained $48.8 million in PE 62435N for ocean warfighting environment applied research, including $8.1 million for applied research in battlespace environment sensors and data.

The committee notes the capability to observe the ocean environment at a known location over an extended period of time contributes significantly to understanding the ocean temperature, currents, wave height, sound levels, and other physical phenomena at that location and the impact of those phenomena on the global environment. However, such capabilities today are primarily dependent upon the use of moored sensors or sensors emplaced on the ocean floor.

The committee believes that geolocation technologies such as the global positioning system when combined with station-keeping and intra-sensor communications technologies, could provide the capability for establishing individual or fields of long-term "station-keeping" ocean environment sensors that would sense and maintain their location and could significantly improve our knowledge of the ocean environment in the area where the sensors were emplaced. When applied to undersea warfare sensors, such station-keeping technologies could provide the capability for rapidly emplacing a floating field of "smart" sensors to observe the undersea environment in an area, including the presence of submarines and other undersea vehicles, and maintain the position of the individual sensors and the sensor field in the area over an extended period of time without the need to lay or anchor such a field on the ocean floor.

The committee believes that there is a range of technologies that could be considered to enable the capability for such station-keeping sensors and sensors fields, including some that might rely upon local environmental effects (such as wind, solar energy, of temperature differentials) for their motive power, miniaturized geolocation technologies, and technologies for sensor data storage, transmission, and intra-field communication.

The committee recommends an increase of $1.0 million in PE 62435N to establish a program to assess the feasibility of such station-keeping sensors and their potential application to oceanographic research and enhanced undersea warfighting capabilities.

Submarine payloads and sensors

The budget request contained $52.7 million in PE 63561N for advanced submarine system development.

The committee notes that the Defense Advanced Research Projects Agency/Navy submarine payloads and sensors program resulted in the development of a number of innovative but realistic payload, sensor, and platform concepts that could enable a revolutionary expansion of capabilities and allow the submarine to play a more decisive role in Joint Force operations, especially in the ability to exert greater influence over events on shore. The concepts provide a potential roadmap to the future through successive implementations that would use the Virginia class nuclear attack submarine as a baseline point of departure. The SSGN conversion of the SSBN ballistic missile submarine would provide additional volume that could also be used for significant payload increases. Congress provided $3.5 million in fiscal year 2003 for follow-on studies and demonstration of advanced submarine payload, sensors, and employment concepts, some of which were demonstrated in the Navy's GIANT SHADOW exercise. The committee is aware that increased funding in fiscal year 2004 would be used for at sea demonstrations of these transformational concepts and to begin development of those new payloads that would provide the most value to the joint warfighter.

Accordingly, the committee recommends an increase of $25.0 million in PE 63561N for submarine payloads and sensors.

Submarine sonar improvements

The budget request contained $80.8 million in PE 64503N for submarine sonar improvements system development and demonstration, including $29.1 million for continuation of the acoustic rapid commercial-of-the-shelf insertion (A–RCI) program.

The A–RCI program upgrades current sonar systems with open architecture commercial-off-the-shelf computer technology that uses advanced processing builds (APB) and multipurpose processor (MPP) middleware developed under a small business innovative research (SBIR) Phase III program to provide continued upgrades as technology develops. The committee notes the significant improvements in sonar system capabilities that have resulted from the application of MPP/APB technology to Navy submarine sonar systems. The committee has strongly supported the Navy's selection of the MPP as the cornerstone for sonar upgrades for existing submarines the development of advanced MPP signal processing technology and advanced processing builds and the integration of these capabilities in submarine, airborne, surface sonar, and undersea surveillance systems. The committee believes that the Navy's funding of the MPP/APB process as part of its core anti-submarine warfare research and development program demonstrates the Navy's commitment to transformation of its anti-submarine warfare capabilities.

The committee recommends $80.8 million in PE 64503N, including $29.1 million for continued development of the MPP/APB SBIR Phase III program for submarine sonar improvements.

Superconducting DC homopolar motor

The budget request contained $55.8 million in PE 63123N for force protection advanced technology development, including $34.2 million for advanced development of surface ship and submarine hull, mechanical, and electrical systems. No funds were requested

to continue the program for development and demonstration of a superconducting direct current homopolar motor.

As noted elsewhere in this report, development of component technologies for the all electric warship is one of the major goals of the Navy's science and technology program. To this end the Navy has pursued the development of several different technologies for ship main propulsion electric motors. The committee notes that superconducting motor technology presents a number of advantages with respect to size and power density that make that technology potentially advantageous for certain applications. The committee also notes that low temperature superconducting direct current (DC) homopolar motor technology has the potential technical advantages of being smaller, lighter, and quieter than alternating current (AC) electric motors that, if realized, would make the superconducting DC homopolar motor a potentially more suitable alternate for use in submarines or in other ship applications where these attributes are desired.

The committee notes the progress that has been made in the Office of Naval Research project for development of superconducting DC homopolar motor technology, and recommends that the Navy continue to extend the technology to design, development, demonstration, and evaluation of a full-scale motor ship main propulsion motor.

The committee recommends an increase of $8.0 million in PE 63123N to continue the development of Superconducting DC Homopolar motor technology.

Surface Navy integrated undersea tactical technology—mine warfare trainer

The budget request contained $140.7 million in PE 63502N for surface and shallow water mine counter measures advanced component development and prototypes.

The committee notes the critical role played by sonar and mine warfare systems operators' proficiency in distinguishing between mines and mine-like objects and in distinguishing between different types of mines. The Surface Navy Integrated Undersea Tactical Technology—Mine Warfare (SNIUTT–MIW) trainer is a comprehensive training demonstration test-bed that is designed to address recognized deficiencies in the sonar operator's proficiency. SNIUTT–MIW leverages and integrates the capabilities of existing surface combatant and aircraft carrier mine and sonar systems and the lessons learned from those systems to provide a common, coordinated baseline training system capability that is not currently available in the Navy mine and undersea warfare force. Congress provided $3.8 million in fiscal year 2003 for development of a test-bed demonstration to enhance mine warfare operator training and performance.

The committee recommends an increase of $9.0 million in PE 63502N to continue development and evaluation of the SNIUTT-MIW test bed undersea warfare systems trainer.

Theater undersea warfare initiative

The budget request contained $59.0 million in PE 62235N for common picture applied research. No funds were requested to continue the Theater Undersea Warfare Initiative.

The committee notes that Congress added $8.5 million in fiscal year 2003 for the Theater Undersea Warfare Initiative, which seeks to enhance the Navy's network centric capability for maritime patrol aircraft (MPA) and provide a near real-time, collaborative communication, command and control capability for MPA operations in the theater. The current program focuses on research, development and test of prototype sensor data fusion and automation technology for MPA, improved bandwidth utilization, and incorporation of electro-optical/infrared, radar, magnetic, and other onboard digital sensor data. The committee understands that upon completion of the initiative, the capabilities developed and demonstrated in the project will transition into the common undersea picture program of record.

The committee recommends an increase of $6.0 million in PE 62235N to complete the Theater Undersea Warfare Initiative and provide MPA a beyond-line-of-sight, secure digital communications, command and control capability with increased capability for sensor data fusion and automation.

Unmanned aerial vehicle joint operational test bed system

The budget request contained $56.5 million in PE 35204N for tactical unmanned aerial vehicles, but included no funding for the Joint Forces Command (JFCOM) unmanned aerial vehicle (UAV) joint operational test bed system (JOTBS).

The committee is aware that UAV interoperability is fundamental to optimal joint operations. The Joint Forces Command UAV JOTBS was established to further development of various service UAV's to ensure interoperability under realistic conditions, and the committee strongly supports this mission.

The committee recommends an increase of $7.0 million in PE 35204N for the JFCOM JOTBS.

Unmanned aerial vehicles concept of operations

The budget request contained $7.1 million in PE 63261N for tactical airborne reconnaissance unmanned aerial vehicle (UAV) concept of operations studies for the Navy.

The committee notes that both the Navy's broad area maritime surveillance (BAMS) and Global Hawk maritime demonstration system (GHMD) programs contain funding for concept of operations and interoperability studies. The Navy has covered the course for UAV concept of operations through the years, and naval UAV integration has shown scant benefit from such efforts. The committee believes that the funding is better applied within the UAV programs themselves.

The committee supports the requirement for UAV integration into the naval environment but believes that this program is duplicative of other Navy efforts.

The committee recommends no funds in PE 63261N, a decrease of $7.1 million.

Vacuum electronics

The budget request contained $44.0 million in PE 62271N for radio frequency systems applied research, including $4.5 million for applied research in radio frequency vacuum electronics power amplifiers.

The committee report on H.R. 1402 (H. Rept. 106–162) noted the committee's support for a robust vacuum electronics research and development program in the Department of Defense and other federal agencies. The committee endorses the criticality of support for both vacuum electronics and solid-state power technologies and recommendations for increased funding in the tri-service vacuum electronics program and for advanced wide bandgap semiconductor technology development.

The committee expects the Under Secretary of Defense (Acquisition, Technology, and Logistics) through the Director of Defense Research and Engineering to ensure a balanced investment strategy for vacuum electronics and solid state power technologies that will meet Department of Defense requirements for current and future systems that use radio frequency power electronics.

The committee recommends an increase of $9.5 million in PE 62271N for applied research in vacuum electronics.

Virginia class multi-mission module

The budget request contained $112.4 million in PE 64558N for Virginia class submarine design development system development and demonstration.

The committee notes the experience gained in the development, design, and implementation of multi-mission capabilities in the USS Jimmy Carter (SSN–23). The committee believes that the modular design of the Virginia class submarine lends itself to the evaluation of multi-mission module concepts for that submarine that could be considered for insertion in selected hull numbers of the class to increase payload capacity, capability for technology insertion, and adaptability to new missions.

The committee recommends $122.4 million in PE 64558N, an increase of $10.0 million for the evaluation of modular payload concepts and multi-mission modules for Virginia class submarine variants that would increase payload capacity and mission capability.

Wide band gap semiconductor power electronics

The budget request contained $32.1 million in PE 62712E and $3.5 million in PE 62271N for applied research in wide band gap semiconductor electronics. Section 212 of the National Defense Authorization Act for Fiscal year 2002 (Public Law 107–107) required the Secretary of Defense to carry out a cooperative program to develop and demonstrate advanced technologies and concepts for future Navy radar systems and other applications with particular emphasis on development of high frequency and high power wide band gap semiconductor materials and devices.

The committee continues to place a high priority on the development of the technology for advanced wide band gap semiconductor materials and devices for future naval radar and other applications. The December 2000 Special Technology Review on Radio Frequency Applications for Wide Band Gap Technology by the Office of the under Secretary of Defense (Acquisition, Technology, and Logistics) recommended an increased science and technology investment in wide band gap materials, devices, circuits, and packaging that would total approximately $30.0 million per year over a five-year period, beginning in fiscal year 2002, in order to develop the

technologies necessary to field advanced radar systems in time to meet the Navy's and the Department's requirements in 2015.

The committee recommends an increase of $6.0 million in PE 62271N for wide band gap semiconductor power electronics applied research.

AIR FORCE RESEARCH, DEVELOPMENT, TEST, & EVALUATION

Overview

The budget request contained $20,336.3 million for Air Force research, development, test, and evaluation (RDT&E).

The committee recommends $20,548.9 million, an increase of $212.6 million to the budget request.

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, AIR FORCE					
		BASIC RESEARCH					
0601102F	1	Defense Research Sciences	204,754	5,000			209,754
		Chabot Space and Science Center			5,000		
0601103F	2	University Research Initiatives	105,224				105,224
0601108F	3	High Energy Laser Research Initiatives	12,063				12,063
		TOTAL, BASIC RESEARCH	**322,041**	**5,000**	**5,000**	**0**	**327,041**
		APPLIED RESEARCH					
0602102F	4	Materials	68,657	7,500			76,157
		Nanomaterials			5,500		
		Composite Fire Safety Consortium			2,000		
0602201F	5	Aerospace Vehicle Technologies	65,662				65,662
0602202F	6	Human Effectiveness Applied Research	66,795	2,000			68,795
		Flexible Display and Integrated Communications Development			2,000		
0602203F	7	Aerospace Propulsion	101,575	4,000			105,575
		Integrated High Payoff Rocket Propulsion Technology program			4,000		
0602204F	8	Aerospace Sensors	75,577	2,000			77,577
		Advanced FT-IR Gas Analysis			2,000		
0602500F	9	Multi-disciplinary Space Technology	90,526				90,526
0602601F	10	Space Technology	83,240	4,000			87,240
		Hardening Technologies for Satellite Protection			4,000		
0602602F	11	Conventional Munitions	46,455				46,455
0602605F	12	Directed Energy Technology	35,359				35,359
0602702F	13	Command Control and Communications	71,674	15,500			87,174
		Central Measurement Intelligence Office			2,500		

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		MASINT Battlelab			5,000		
		MASINT Warfighter Visualization Tools			8,000		
0602805F	14	Dual Use Science and Technology Program	10,586				10,586
0602890F	15	High Energy Laser Research	41,854				41,854
		TOTAL, APPLIED RESEARCH	**757,960**	**35,000**	**35,000**	**0**	**792,960**
		ADVANCED TECHNOLOGY DEVELOPMENT					
0603112F	16	Advanced Materials for Weapon Systems	33,079	10,000			43,079
		Hybrid Bearings			3,000		
		Metals Affordability Initiative			7,000		
0603203F	17	Advanced Aerospace Sensors	36,550	3,500			40,050
		National Operational Signature Production and Research Capability			3,500		
0603205F	18	Flight Vehicle Technology	0				0
0603211F	19	Aerospace Technology Dev/Demo	73,416	3,000			76,416
		3D Bias Woven Preforms			3,000		
0603216F	20	Aerospace Propulsion and Power Technology	114,726				114,726
0603231F	21	Crew Systems and Personnel Protection Technology	34,487	2,000			36,487
		Laser Eye Protection			2,000		
0603270F	22	Electronic Combat Technology	28,496	4,800			33,296
		Advanced Threat Alert Receiver/Lightweight Modular Support Jammer			4,800		
0603311F	23	Ballistic Missile Technology	0	10,000			10,000
		Ballistic Missile Technology Program			10,000		
0603333F	24	Unmanned Air Vehicle Dev/Demo	0				0
0603401F	25	Advanced Spacecraft Technology	72,114	1,900			74,014
		SLV Thermal Protection Technology			1,900		
0603436F	26	Transformational Wideband MILSATCOM	0				0
0603444F	27	Maui Space Surveillance System (MSSS)	6,323	10,000			16,323

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		High Accuracy Network Determination System (HANDS)			10,000		
0603500F	28	Multi-disciplinary Advanced Development Space Technology	62,610				62,610
0603601F	29	Conventional Weapons Technology	30,516				30,516
0603605F	30	Advanced Weapons Technology	27,024	3,500			30,524
		Laserspark Countermeasure Program			3,500		
0603723F	31	Environmental Engineering Technology	0	3,000			3,000
		Environmental Studies			3,000		
0603755F	32	High Performance Computing Modernization Program	185,282	16,200			201,482
		SMDC Simulation Center Computer Upgrade			16,200		
0603789F	33	C3I Advanced Development	31,538	6,500			38,038
		All-Source Fusion and Effects Based Operation for C2 Constellation			4,500		
		Fusion SIGINT Enhancements for Network-Centric Intelligence			2,000		
0603801F	34	Special Programs	369,483				369,483
0603850F	35	Integrated Broadcast Service	8,537				8,537
0603924F	36	High Energy Laser Advanced Technology Program	10,910				10,910
0207423F	37	Advanced Communications Systems	12,053				12,053
0401840F	38	AMC Command and Control System	6,046				6,046
0804757F	39	Joint National Training Center	2,940				2,940
		TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	**1,146,130**	**74,400**	**74,400**	**0**	**1,220,530**
		ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES					
0603260F	40	Intelligence Advanced Development	4,513				4,513
0603287F	41	Physical Security Equipment	24,483	3,000			27,483
		Enhanced Techniques for Detection of Explosives			3,000		
0603421F	42	NAVSTAR Global Positioning System III	0	45,000			45,000
		Program Increase			45,000		
0603430F	43	Advanced EHF MILSATCOM (SPACE)	778,078	60,000			838,078

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		Risk Reduction & Spare Parts for the First Two Satellites			60,000		
0603432F	44	Polar MILSATCOM (SPACE)	5,580				5,580
0603434F	45	National Polar-orbiting Operational Environmental Satellite Sys (SPACE)	267,716				267,716
0603438F	46	Space Control Technology	14,714				14,714
0603742F	47	Combat Identification Technology	16,575				16,575
0603790F	48	NATO Research and Development	3,888				3,888
0603791F	49	International Space Cooperative R&D	545				545
0603845F	50	Advanced Wideband System (AWS)	439,277	(80,000)			359,277
		Program Reduction				(80,000)	
0603850F	51	Integrated Broadcast Service	16,466				16,466
0603851F	52	Intercontinental Ballistic Missile	67,632				67,632
0603854F	53	Wideband Gapfiller System RDT&E (Space)	36,686				36,686
0603856F	54	Air Force/National Program Cooperation (AFNPC)	0				0
0603858F	55	Space-Based Radar	274,104				274,104
0603859F	56	Pollution Prevention	2,318				2,318
0603860F	57	Joint Precision Approach and Landing Systems	13,847				13,847
0604327F	58	Hard and Deeply Buried Target Defeat System (HDBTDS) Program	12,633				12,633
0604731F	59	Unmanned Combat Air Vehicle (UCAV)	161,269				161,269
0604855F	60	Operationally Responsive Launch	24,440	12,000			36,440
		Program Increase			12,000		
0604856F	61	Common Aero Vehicle (CAV)	12,220	12,000	12,000		24,220
0603xxxF	XX	Next Generation Bomber		100,000	100,000		100,000
		TOTAL, ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	**2,176,984**	**152,000**	**232,000**	**(80,000)**	**2,328,984**
		SYSTEM DEVELOPMENT & DEMONSTRATION					
0603840F	62	Global Broadcast Service (GBS)	38,147				38,147
0604012F	63	Joint Helmet Mounted Cueing System (JHMCS)	843				843

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0604222F	64	Nuclear Weapons Support	13,396				13,396
0604226F	65	B-1B	88,703				88,703
0604233F	66	Specialized Undergraduate Flight Training	3,267				3,267
0604239F	67	F-22	620,740				620,740
0604240F	68	B-2 Advanced Technology Bomber	152,084	33,500			185,584
		Aft deck design			3,900		
		EHF SATCOM			29,600		
0604251F	69	Space-Based Radar	0				0
0604270F	70	EW Development	74,034	12,600			86,634
		Precision Location and Identification Technology Program			12,600		
0604280F	71	Joint Tactical Radio	48,814				48,814
0604287F	72	Physical Security Equipment	7,261				7,261
0604329F	73	Small Diameter Bomb (SDB)	126,447				126,447
0604421F	74	Counterspace Systems	82,565				82,565
0604435F	75	Interim Polar	13,740				13,740
0604441F	76	Space Based Infrared System (SBIRS) High EMD	617,229	15,000			632,229
		Program increase			15,000		
0604479F	77	Milstar LDR/MDR Satellite Communications (SPACE)	1,383				1,383
0604600F	78	Munitions Dispenser Development	15,849				15,849
0604602F	79	Armament/Ordnance Development	8,419				8,419
0604604F	80	Submunitions	4,717				4,717
0604617F	81	Agile Combat Support	5,574				5,574
0604618F	82	Joint Direct Attack Munition	34,061				34,061
0604706F	83	Life Support Systems	269				269
0604731F	84	Unmanned Combat Air Vehicle (UCAV)	14,675				14,675
0604735F	85	Combat Training Ranges	20,383				20,383
0604740F	86	Integrated Command & Control Applications (IC2A)	239	5,000			5,239

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		Distributed Mission Interoperability Toolkit			5,000		
0604750F	87	Intelligence Equipment	1,320				1,320
0604754F	88	Tactical Data Link Infrastructure	14,675				14,675
0604762F	89	Common Low Observables Verification System (CLOVerS)	7,000				7,000
0604779F	90	Tactical Data Link Interoperability	0				0
0604800F	91	Joint Strike Fighter (JSF)	2,194,087				2,194,087
0604851F	92	Intercontinental Ballistic Missile	184,193				184,193
0604853F	93	Evolved Expendable Launch Vehicle Program (SPACE)	8,000				8,000
0605011F	94	RDT&E for Aging Aircraft	24,063				24,063
0207249F	95	Precision Attack Systems Procurement	0				0
0207256F	96	Unmanned Combat Air Vehicle Joint Program Office	4,892				4,892
0207434F	97	Link-16 Support and Sustainment	58,783				58,783
0207701F	98	Full Combat Mission Training	6,946				6,946
0305176F	99	Combat Survivor Evader Locator	14,684	7,700			22,384
		Program increase			7,700		
0401318F	100	CV-22	65,703				65,703
		TOTAL, SYSTEM DEVELOPMENT & DEMONSTRATION	**4,577,185**	**73,800**	**73,800**	**0**	**4,650,985**
		RDT&E MANAGEMENT SUPPORT					
0604256F	101	Threat Simulator Development	36,595				36,595
0604759F	102	Major T&E Investment	50,215				50,215
0605101F	103	RAND Project Air Force	24,586				24,586
0605306F	104	Ranch Hand II Epidemiology Study	4,692				4,692
0605502F	105	Small Business Innovation Research	0				0
0605712F	106	Initial Operational Test & Evaluation	34,646				34,646
0605807F	107	Test and Evaluation Support	336,720				336,720
0605860F	108	Rocket Systems Launch Program (SPACE)	9,673				9,673

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0605864F	109	Space Test Program (STP)	42,909				42,909
0605976F	110	Facilities Restoration and Modernization - Test and Evaluation Support	33,940				33,940
0605978F	111	Facilities Sustainment - Test and Evaluation Support	15,770				15,770
0804731F	112	Cyber Crime Center	318				318
0909900F	113	Financing for Expired Account Adjustments	0				0
0909980F	114	Judgment Fund Reimbursement	36,434				36,434
1001004F	115	International Activities	3,867				3,867
		TOTAL, RDT&E MANAGEMENT SUPPORT	**630,365**	**0**	**0**	**0**	**630,365**
		OPERATIONAL SYSTEMS DEVELOPMENT					
0604240F	116	B-2 Advanced Technology Bomber	24,691	(24,691)			0
		Air Force Requested Transfer to APAF-23				(24,691)	
0605024F	117	Anti-Tamper Technology Executive Agency	7,855				7,855
0101113F	118	B-52 Squadrons	28,649				28,649
0101120F	119	Advanced Cruise Missile	13,364				13,364
0101122F	120	Air-Launched Cruise Missile (ALCM)	29,804				29,804
0101313F	121	Strat War Planning System - USSTRATCOM	1,748				1,748
0101815F	122	Advanced Strategic Programs	6,100				6,100
0102326F	123	Region/Sector Operation Control Center Modernization Program	22,573				22,573
0203761F	124	Warfighter Rapid Acquisition Process (WRAP) Rapid Transition Fund	0				0
0207028F	125	Joint Expeditionary Force Experiment	51,367				51,367
0207131F	126	A-10 Squadrons	29,729				29,729
0207133F	127	F-16 Squadrons	87,478	20,000			107,478
		AN/APG-68(V)9 Radar upgrade			10,000		
		Block 40/42 AN/APX-113 Integration for ANG			10,000		
0207134F	128	F-15E Squadrons	112,085	16,500			128,585
		F-15C/D Radar Block Upgrade			16,500		

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0207136F	129	Manned Destructive Suppression	20,633				20,633
0207138F	130	F-22 Squadrons	315,784				315,784
0207141F	131	F-117A Squadrons	14,752				14,752
0207161F	132	Tactical AIM Missiles	375				375
0207163F	133	Advanced Medium Range Air-to-Air Missile (AMRAAM)	32,429				32,429
0207224F	134	Combat Rescue and Recovery	0				0
0207247F	135	AF TENCAP	10,479	3,000			13,479
		Global Positioning System-Jammer Detection and Location System (GPS)			3,000		
0207248F	136	Special Evaluation Program	164,239				164,239
0207253F	137	Compass Call	3,790				3,790
0207268F	138	Aircraft Engine Component Improvement Program	180,112				180,112
0207277F	139	Eagle Vision	1,880				1,880
0207325F	140	Joint Air-to-Surface Standoff Missile (JASSM)	31,216				31,216
0207410F	141	Aerospace Operations Center (AOC)	27,887				27,887
0207412F	142	Battle Control Sys-Modular	16,083				16,083
0207417F	143	Airborne Warning and Control System (AWACS)	270,397				270,397
0207423F	144	Advanced Communications Systems	12,312				12,312
0207424F	145	Evaluation and Analysis Program	0				0
0207433F	146	Advanced Program Technology	263,392				263,392
0207438F	147	Theater Battle Management (TBM) C4I	31,647				31,647
0207445F	148	Fighter Tactical Data Link	42,877				42,877
0207446F	149	Bomber Tactical Data Link	12,959				12,959
0207448F	150	C2ISR Tactical Data Link	26,927				26,927
0207449F	151	MC2C (Multi-sensor Command and Control Constellation)	363,630				363,630
0207581F	152	Joint Surveillance and Target Attack Radar System (Joint STARS)	58,431				58,431
0207590F	153	Seek Eagle	19,587				19,587
0207591F	154	Advanced Program Evaluation	425,486				425,486

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0207601F	155	USAF Modeling and Simulation	8,483				8,483
0207605F	156	Wargaming and Simulation Centers	6,262				6,262
0208006F	157	Mission Planning Systems	62,348	(23,000)			39,348
		Air Force Mission Planning System Program Reduction				(23,000)	
0208021F	158	Information Warfare Support	12,091				12,091
0208160F	159	Technical Evaluation System	0				0
0208161F	160	Special Evaluation System	0				0
0301310F	161	National Air Intelligence Center					0
0301314F	162	COBRA BALL					0
0301315F	163	Missile and Space Technical Collection					0
0301324F	164	FOREST GREEN					0
0301398F	165	Management Headquarters GDIP					0
0302015F	166	E-4B National Airborne Operations Center (NAOC)	44,377				44,377
0303110F	167	Defense Satellite Communications System (SPACE)	0				0
0303112F	168	Air Force Communications (AIRCOM)	0				0
0303131F	169	Minimum Essential Emergency Communications Network (MEECN)	10,716				10,716
0303140F	170	Information Systems Security Program	37,667				37,667
0303141F	171	Global Combat Support System	17,473				17,473
0303150F	172	Global Command and Control System	3,547				3,547
0303401F	173	Communications Security (COMSEC)	0				0
0303601F	174	MILSATCOM Terminals	173,831				173,831
0304111F	175	Special Activities					0
0304311F	176	Selected Activities	107,800				107,800
0305099F	177	Global Air Traffic Management (GATM)	7,164				7,164
0305110F	178	Satellite Control Network (SPACE)	18,603	3,000			21,603
		Civil Reserve Space Service			3,000		
0305111F	179	Weather Service	16,317	4,400			20,717

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		NPOESS Support Initiative			4,400		
0305114F	180	Air Traffic Control, Approach, and Landing System (ATCALS)	10,622				10,622
0305128F	181	Security and Investigative Activities	474				474
0305142F	182	Applied Technology and Integration					0
0305144F	183	Titan Space Launch Vehicles (SPACE)	0				0
0305148F	184	Tactical Measurement and Signature Intelligence (MASINT)	7,510				7,510
0305159F	185	Defense Reconnaissance Support Activities (SPACE)	232,287				232,287
0305160F	186	Defense Meteorological Satellite Program (SPACE)	918				918
0305164F	187	NAVSTAR Global Positioning System (User Equipment) (SPACE)	100,589				100,589
0305165F	188	NAVSTAR Global Positioning System (Space and Control Segments)	146,468				146,468
0305172F	189	Combined Advanced Applications					0
0305174F	190	Space Warfare Center	404				404
0305182F	191	Spacelift Range System (SPACE)	63,210				63,210
0305202F	192	Dragon U-2 (JMIP)	52,518				52,518
0305205F	193	Endurance Unmanned Aerial Vehicles	398,631	4,600			403,231
		Global Hawk Advanced Imagery Architecture			4,600		
0305206F	194	Airborne Reconnaissance Systems	77,823	8,800			86,623
		F-16 Theater Airborne Reconnaissance System			6,800		
		Ultra Wideband Laser Communications for ISR			2,000		
0305207F	195	Manned Reconnaissance Systems	14,726				14,726
0305208F	196	Distributed Common Ground Systems	27,107				27,107
0305906F	197	Integrated C2-Northcom	57,933				57,933
0305910F	198	SPACETRACK (SPACE)	118,234	20,000			138,234
		Air Force Space Fence			20,000		
0305911F	199	Defense Support Program (SPACE)	0				0
0305913F	200	NUDET Detection System (SPACE)	35,834	(9,200)			26,634
		Nuclear Detonation Detection System Program Reduction				(9,200)	

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0305917F	201	Space Architect	12,589				12,589
0308601F	202	Modeling and Simulation Support	0				0
0308699F	203	Shared Early Warning (SEW)	3,254				3,254
0401115F	204	C-130 Airlift Squadron	105,381				105,381
0401119F	205	C-5 Airlift Squadrons	356,570				356,570
0401130F	206	C-17 Aircraft	184,089				184,089
0401132F	207	C-130J Program	13,551				13,551
0401134F	208	Large Aircraft IR Countermeasures (LAIRCM)	45,946				45,946
0401218F	209	KC-135s	1,473				1,473
0401219F	210	KC-10s	2,306				2,306
0401839F	211	Air Mobility Tactical Data Link	0				0
0702207F	212	Depot Maintenance (Non-IF)	1,406				1,406
0708011F	213	Industrial Preparedness	39,396	7,000			46,396
		Metals Affordability Initiative			7,000		
0708012F	214	Logistics Support Activities	0				0
0708026F	215	Productivity, Reliability, Availability, Maintain. Prog Ofc (PRAMPO)	0	7,000			7,000
		Aircraft Turbine Engine Sustainment			7,000		
0708611F	216	Support Systems Development	54,034	5,000			59,034
		Low Emission/Efficient Hybrid Aviation Refueling Truck Propulsion			5,000		
0708612F	217	Computer Resources Support Improvement Program (CRSIP)	0				0
0901212F	218	Service-Wide Support (Not Otherwise Accounted For)	4,392				4,392
0901218F	219	Civilian Compensation Program	7,130				7,130
0901538F	220	Financial Management Information Systems Development	13,464				13,464
XXXXXXX	999	Classified	5,245,898	30,000	30,000		5,275,898
		TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	**10,725,593**	**72,409**	**129,300**	**(56,891)**	**10,798,002**
	xxx	Information Technology Reduction		(200,000)		(200,000)	(200,000)

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		TOTAL. RESEARCH, DEVELOPMENT, TEST & EVALUATION, AIR FORCE	**20,336,258**	**212,609** 0	**549,500**	**(336,891)**	**20,548,867**

Items of Special Interest

3D Bias Woven Preforms

The budget request contained no funding for 3D Bias Woven performs.

The committee believes that fiber weaving technology incorporating +/−45 degree fibers in 3D composite fiber reinforcements for use in aircraft structural joints could increase joint strength and damage tolerance, enabling incorporation of low cost composite structures technology to highly loaded joint applications.

The committee recommends an authorization of $34.1 million in PE 63211F, an increase of $3.0 million for three dimensional bias woven performs phase III.

Advanced extremely high frequency MILSATCOM

The budget request contained $778.1 million in PE 63430F for advanced extremely high frequency (AEHF) MILSATCOM (SPACE).

The committee is aware of the increased importance of satellite communications for the warfighter and the increased capability AEHF would provide. The committee notes that additional funding is required for program risk reduction and spare parts for the first two satellites.

The committee recommends $838.1 million in PE 63430F, an increase of $60.0 million for AEHF.

Advanced spacecraft technology

The budget request contained $72.1 million in PE 63401F for advanced spacecraft technology, but included no funds for small launch vehicle thermal protection technology.

The committee notes that thermal protection system (TPS) technology risk reduction activities such as subscale component and flight demonstration are a significant part of the critical path to development of low cost small launch vehicles (SLV) for Department of Defense spacelift. The committee is aware that small satellite technology has been hindered by the lack of affordable and reliable spacelift.

The committee recommends $74.0 million in PE 63401F, an increase of $1.9 million for SLV thermal protection technology.

Advanced Threat Alert Receiver (ATAR)/Lightweight Modular Support Jammer (LMSJ)

The budget request contained $28.5 million in PE 63270F for electronic combat technology, including $2.8 million for ATAR/LMSJ.

ATAR will provide scalable, open architecture, affordable digital receiver technology to multiple electronic warfare platforms. LMSJ will provide next-generation digital technique generators and solid state power module technology in a scalable, open architecture for electronic jammers. Several new platforms are being envisioned as a follow-on replacement to the EA–6, requiring acceleration of ATAR/LMSJ technology to ensure the delivery of a brass board, conduct risk reduction research, and generate high fidelity threat emitter environments.

The committee recommends $33.3 million in PE 63270F, an increase of $4.8 million for ATAR/LMSJ.

Advanced wideband system

The budget request contained $439.3 million in PE 63845F for the advanced wideband system (AWS).

The committee notes that the transformational communications system (TCS) architecture within which AWS use is envisioned is still being developed. The committee further notes that underlying systems engineering for AWS faces significant challenges and much of the AWS technology base is very immature.

While the committee supports the goal of TCS, the committee believes that a slower program start for AWS will be beneficial to allow maturation of TCS architecture and AWS technology.

The committee recommends $359.3 million in PE 63845F, a decrease of $80.0 million for AWS.

Aircraft turbine engine sustainment

The budget request included no funding in PE 78026F for the productivity, reliability availability, maintainability (PRAM) program for aircraft turbine engine sustainment.

The committee believes that investments in technologies for nondestructive inspection of aircraft engines show the potential of saving millions of dollars.

The committee recommends $7.0 million in PE 78026F, an increase of $7.0 million for the PRAM program.

Air Force information technology research and development

The budget request contained $62.3 million for PE 28006F to support the Air Force Mission Planning Systems and an unspecified amount to support information technology (IT) research and development.

The committee is concerned about excessive and unjustified growth in the Air Force's research, development, testing, and evaluation expenditures for IT programs. While the committee supports innovative research into emerging technologies that will support combat and business systems modernization, the committee is nonetheless concerned that the Mission Planning Systems research and development expenditures increased four fold in one year, and notes similar increases in other IT programs.

The committee recommends $39.3 million for PE 28006F, a decrease of $23.0 million.

Air Force space fence

The budget request contained $118.2 million in PE 35910F for SPACETRACK, but included no funds to upgrade the Air Force space fence.

The committee notes that responsibility for the legacy Navy fence developed in the 1950's has recently been transferred to the Air Force. The committee directs the Secretary of the Air Force to continue to fully operate the fence and the alternate space control center through fiscal year 2004. The committee also directs the Secretary of the Air Force to conduct a thorough evaluation of options during fiscal year 2004 to upgrade or replace the existing fence in the near future in order to better meet the critical space situational

awareness requirements. This evaluation should study options for applying different technologies as well as different basing concepts and locations.

The committee supports the requirement for improved space control and recommends $138.2 million in PE 35910F, an increase of $20.0 million for Air Force space fence.

Ballistic missile technology program

The budget request contained no funds in PE 63311F for the ballistic missile technology program.

The committee is aware that the ballistic missile technology program supports development of critical technologies related to advanced guidance, range safety instrumentation and common guidance sensors.

The committee recommends $10.0 million in PE 63311F for the ballistic missile technology program.

Central measurement intelligence office

The budget request contained $71.7 million in PE 62702F for command, control and communications, but included no funds for laser intelligence or passive coherent location.

The committee is aware that the central measurement and signature intelligence (MASINT) office (CMO) supports two initiatives: the first at the National Air Intelligence Center (NAIC) to establish a laser intelligence effort on current and emerging laser technologies, and the second to accelerate development of passive coherent location (PCL) capability to include:

(1) Augmentation of the national airspace,

(2) Provide expansion to deployable integrated air defenses, and

(3) Further evaluate the capabilities that PCL will provide the war fighter.

The committee recommends an increase of $2.5 million in PE 62702F to establish a laser intelligence effort on current and emerging laser technologies, and to accelerate development of passive coherent location (PCL).

Civil reserve space service

The budget request contained $18.6 million in PE 35110F for satellite control network (space), but included no funding for civil reserve space service.

The committee recommends $21.6 million in PE 35110F, an increase of $3.0 million for civil reserve space service.

Common aero vehicle

The budget request contained $12.2 million in PE 64856F for Common Aero Vehicle (CAV).

The committee notes that the CAV program is a joint Defense Advanced Research Projects Agency-Air Force program to develop an on demand conventional prompt global strike capability. The committee is aware that CAV could appear to be a non-conventional launch and directs the Secretary of Defense to develop and provide a concept of operations for CAV that precludes any misperception of CAV launch intent to the congressional defense

committees, prior to conducting any developmental launches of CAV and no later than March 31, 2004.

The committee recommends $24.2 million in PE 64856F, an increase of $12.0 million for CAV.

Distributed common ground system

The budget request contained a total of $65.0 million in PE 35208F and other program elements for distributed common ground system (DCGS).

The committee is aware that the Navy, Air Force and Army had embarked on a collaborative effort to develop and acquire a joint, interoperable DCGS by providing requirements to the Air Force for incorporation into its DCGS Block 10.2. The committee believes that though service applications and subsystems may vary as a consequence of differing missions and employment concepts, a joint architectural framework and common data management system is necessary to ensure a transparent exchange of information and to achieve service interoperability.

The committee applauds this unified approach, but is concerned that the Navy has recently withdrawn from this initiative. The committee believes that it is imperative that the services act together in their approach to DCGS, and that separate service standards are inherently wrong.

Therefore, the committee approves the request, but directs the Secretary of Defense to stipulate a single architectural standard for the DCGS program that meets the ASD (C3I) requirements and maintains a common, open, non-proprietary standard. The committee directs the Secretary of Defense to report the status of establishing a single DCGS standard to the congressional defense and intelligence committees no later than January 31, 2004.

Distributed mission interoperability toolkit (DMIT) program

The budget request contained $239,000 in PE 64740F for development of integrated command and control applications, but included no funds for the DMIT program.

The DMIT is a suite of software tools that enables interoperability among and between air mission command, control, communication, computer and intelligence (C4I) systems and mission simulator models. The committee understands that DMIT program leverages best practices from the commercial sector including the use of open architectures, existing and emerging web standards, and state-of-the-art technologies to provide a more efficient translation of air mission tasks from C4I systems into a format compatible with mission simulator formats; and notes that the Congress appropriated an increase of $4.0 million in fiscal year 2003 for this purpose.

The committee recommends $5.2 million in PE 64740F, an increase of $5.0 million for continuation of the DMIT program.

Enhanced techniques for detection of explosives

The budget request contained $24.5 million in PE 63287F for physical security equipment advanced component development and prototyping.

Detection of explosives is a major concern in today's post cold war environment, both from the standpoint of the war on terrorism

and with respect to the detection of land mines and unexploded ordnance on the world's battlefields. The committee believes that a multi-disciplinary approach to research and development in advanced technologies for the detection of explosives, improvised explosive devices, landmines, and unexploded ordnance could result in the development of new and novel approaches for using existing explosive detection technologies and to the development of new, more effective technologies.

The committee recommends $27.5 million in PE 63287F, an increase of $3.0 million for enhanced techniques for detection of explosives.

F–15 C/D radar block upgrade

The budget request contained $112.1 million in PE 27134F for development of new capabilities for the F–15 series aircraft, but included no funds for the F–15C/D radar block upgrade program.

The F–15C/D radar block upgrade program, which began in fiscal year 2002, develops the next-generation active electronically scanned array (AESA) radar for F–15C/D aircraft. The committee understands that the AESA radar will provide improved F–15C/D radar performance, including a new capability to detect and engage cruise missiles.

The committee recommends $128.6 million in PE 27134F, an increase of $16.5 million for continuation of pre-production development on the F–15C/D radar block upgrade program.

F–16 squadrons

The budget request contained $87.5 million in PE 27133F for development of new capabilities for the F–16 series aircraft, but included no funds for the AN/APG–68(V)9 radar upgrade program or for F–16 block 40/42 AN/APX–113 integration.

The AN/APG–68(V)9 radar upgrade program will provide improved performance and savings compared to the F–16's existing AN/APG–68(V)5 radar. The committee understands that the AN/APG–68(V)9's increased reliability features combined with newer, more available digital parts will significantly decrease annual operations and support costs. Additionally, the committee understands that the AN/APG–68(V)9 will provide the F–16 with high-resolution synthetic aperture radar maps that will allow the employment of precision-guided munitions in all-weather conditions, and that this upgrade is strongly supported by the Air Force's Air Combat Command. Accordingly, the committee recommends an increase of $10.0 million for the AN/APG–68(V)9 radar upgrade program.

The AN/APX–113 is an advanced electronic identification system used at long ranges to determine whether aircraft are friendly or enemy. If the data received from the AN/APX–113 notifies the pilot that the aircraft is enemy, then the pilot can engage the enemy aircraft with beyond-visual-range anti-aircraft missiles. The committee notes that most F–16 block 40/42 aircraft belong to the Air National Guard (ANG) and participate in homeland defense combat air patrol (CAP) missions, and that Congress appropriated $2.0 million in fiscal year to begin F–16 block 40/42 AN/APX–113 integration to improve the ANG's capabilities to accomplish the CAP mission. The committee understands that an additional $10.0 mil-

lion will complete F–16 block 40/42 AN/APX–113 integration in fiscal year 2004, and recommends that amount for this purpose.

In total, the committee recommends $107.5 million in PE 27133F, an increase of $20.0 million.

F–16 theater airborne reconnaissance system (TARS)

The budget request contained $77.8 million in PE 35206F for airborne reconnaissance systems, but included no funds for the TARS pre-planned product improvement (P3I) program.

The two ANG F–16 units equipped with TARS pods provide a responsive under-the-weather reconnaissance capability to support intelligence and targeting requirements of military users. The TARS P3I program will develop an upgrade to the TARS pods providing a data link system upgrade that will connect with the joint force air component commander's command and control (JFACC C2) structure. The TARS P3I will also develop a synthetic aperture radar to enable night and all-weather reconnaissance capability.

The committee believes that night and all-weather reconnaissance operations and the ability to data link to the JFACC C2 structure are essential to identify and engage time-critical targets.

The committee recommends an increase of $6.8 in PE 35206F for the TARS P3I.

Flexible display and integrated communications devices

The budget request included $33.8 million in project 7184 in PE 62202F for crew system interface and biodynamics.

Integration of ground targeting cueing through data link to combat aircraft to reduce the "target-to-shooter" time-line is critical to improving close air support, target identification, and designation and to reduce "blue-on-blue" casualties. Flexible displays and integrated communications devices are key to realizing this capability.

The committee authorizes an increase of $2.0 million in PE 62202F for integration of leading-edge global positioning, communications components, voice messaging, displays, and related technologies to provide flexible display and integrated communications devices.

Force protection and survivability for deployed forces

The budget request included $838,000 in PE 62102F for development of cost effective technologies for deployed forces.

The important and growing use of composite materials, especially graphite composites in aircraft, motor vehicles, mass transit and marine applications creates new and often unrecognized hazards for firefighters and the general public. Firefighting research has not placed sufficient emphasis on this issue.

The committee recommends an additional $2.0 million in PE 62102F for the Composite Fire Safety Initiative Consortium to develop a better understanding of composite combustion processes and provide civilian and military firefighters with the technologies needed to assure rapid and safe extinguishment of composite fire materials.

Fusion SIGINT enhancements for network-centric intelligence, surveillance and reconnaissance

The budget request contained $31.5 million in PE 63789F for Command, Control, Communication, and Intelligence (C3I) advanced development but included no funds for fusion signals intelligence (SIGINT) enhancements for network-centric intelligence, surveillance and reconnaissance (ISR).

The committee is aware of the requirement for automated, intelligent sensor data and intelligence information fusion to implement network centric ISR.

The committee recommends an increase of $2.0 million in PE 63789F for fusion SIGINT enhancements for network-centric ISR.

Global Hawk advanced imagery architecture

The budget request contained $398.6 million in PE 35205F for endurance unmanned aerial vehicles, and included $357.6 million for Global Hawk, but included no funds for Global Hawk advanced imagery architecture.

The committee is aware that Global Hawk is a significant user of communication bandwidth. The committee notes that Global Hawk provides both synthetic aperture radar and electro-optical infrared data and that the Global Hawk advanced imagery architecture is to enable effective bandwidth utilization to support multiplatform, collaborative intelligence, surveillance and reconnaissance operations.

The committee recommends $403.2 million in PE 35205F, an increase of $4.6 million to develop, integrate, test and fly the advanced imagery architecture on Global Hawk.

Hardening technologies for satellite protection

The budget request contained $83.2 million in PE 62601F for space technologies, but included no funds for hardening technologies for satellite protection (HTSP).

The committee is aware that disruption or denial of Department of Defense (DOD) data over unprotected space systems could severely impact DOD operations. The committee believes that protection parameters need to be defined and low cost satellite hardening technology solutions need to be developed and implemented for next generation satellites. The committee is aware that the objectives of HTSP are to ensure that all satellites carrying DOD data can operate in expected threat environments.

The committee recommends $87.2 million in PE 62601F, an increase of $4.0 million for HTSP.

High Accuracy network determination system

The budget request contained $6.3 million in PE 63444F for the Maui space surveillance system, but included no funds for the high accuracy network determination system (HANDS).

The committee is aware that HANDS offers the potential to increase the accuracy of orbit determinations of space objects using relatively low-cost optical sensing systems.

The committee recommends $16.3 million in PE 63444F, an increase of $10.0 million for HANDS.

Hybrid bearings

The budget request included $10.0 million in PE 63112F for materials transition within the advanced materials for weapons systems program.

The committee is aware of hybrid metal and composite bearing technology that may provide for aerospace applications for significantly increased turbine engine durability, wear resistance, and fracture toughness at high speeds and temperatures.

The committee recommends an increase of $3.0 million in PE 63112F for hybrid bearings.

Integrated broadcast service

The budget request contained $8.5 million in PE 63850F for the integrated broadcast service (IBS).

The committee has been supportive of the IBS program since its inception, and notes the significant progress made in the spiral-development of the IBS information management element (IME). The Air Force Test and Evaluation Center found the IME to be potentially operationally effective and suitable for network dissemination of time-critical threat warnings, supporting the Department of Defense network-centric warfare objective.

The committee supports regional deployments of the IME's to combatant commands starting in fiscal year 2004 and recommends the budget request for IBS.

Integrated High Payoff Rocket Propulsion Technology (IHPRPT) program

The budget request included $14.3 million in PE 62203F for the Air Force for the Integrated High Payoff Rocket Propulsion Technology (IHPRPT) program. While the Navy has previously funded the IHPRPT program as part of a coordinated technology program within the department, NASA, and industry, no funds were included in the fiscal year 2004 request.

The committee believes that critical propellant, nozzle, case, and thrust vector technologies require continued emphasis to provide increased capability to the warfighter and recommends an additional $3.0 million each in PE 62114N and PE 63114N and an additional $4.0 million in PE 62203F for IHPRPT.

Link 16 weapon data terminal

The committee notes that precision guided munitions (PGMs) have revolutionized the strike capabilities of weapon delivery platforms, and that today's global positioning satellite and inertial navigation system (GPS/INS)-guided weapons, such as the joint stand-off weapon (JSOW) and joint direct attack munition (JDAM), can very accurately engage fixed targets. However, the committee also notes that the JSOW and JDAM do not have the capability to be retargeted inflight or to engage mobile targets, and understands that the Defense Advanced Research Projects Agency has recently completed a successful test integrating a Link-16 weapon data terminal to a GPS/INS-guided PGM demonstrating that a PGM could receive target position updates after launch over the Link-16 network to engage a mobile target.

The committee believes that the capability to couple the PGM with the Link 16 network to engage mobile targets is a trans-

formational capability, and strongly urges the Department of Defense to continue this development.

Low emission/efficient hybrid aviation refueling truck propulsion

The budget request contained $54.0 million in PE 78611F for support systems development, but included no funds for low emission/efficient hybrid fuel truck propulsion.

The committee is aware that existing Air Force aviation refueling trucks operate over short distances in a manner that causes high fuel use, high emissions and decreased engine life. The committee notes that a heavy-duty hybrid drive technology has been developed for aviation refueling trucks.

The committee recommends $59.0 million, an increase of $5.0 million in PE 78611F for the continued refinement in simulation and modeling of low emission/efficient hybrid aviation refueling truck propulsion.

Metals affordability

The budget request included $1.2 million in PE 62102F for the metals affordability initiative.

The committee is aware that a government-industry collaboration provides significant improvements in the manufacturing of specialty metals for aerospace applications.

The committee fully supports the metals affordability initiative and recommends $15.2 million, an increase of $14 million, including $7.0 million each in program elements 63112F and 78011F. An additional $4.0 million is authorized in PE 78011S for continued development of high quality titanium reduction processes, such as the Armstrong process, to produce titanium that will support modern fabrication techniques.

Nanomaterials

The budget request included $38.9 million in PE 62102F for materials applied research for structures, propulsion, and subsystems.

Nanostructured materials are superior to conventional materials and allow for inexpensive manufacturing for uses in sensors, stealth and microelectronics. The committee recommends an increase of $5.5 million in PE 62102F for nanomaterials research.

National operational signature production and research capability

The budget request contained $36.6 million in PE 63203F for advanced aerospace sensors, but included no funds for the national operational signature production and research capability.

The committee supports this effort to enhance identification of friend, foe, and neutral parties.

The committee recommends $40.1 million in PE 63203F, an increase of $3.5 million for the national operational signature production and research capability.

NAVSTAR Global positioning system III

The budget request contained no funds for NAVSTAR global positioning system (GPS) III in PE 63421F.

The committee notes that GPS has demonstrated its increased importance to modern warfare during the campaign in Iraq. The committee is also aware that GPS has also become essential for ci-

vilian uses. The committee is informed that a new GPS III will provide significantly better anti-jam capability for the military, improved civil capabilities, and offer reduced lifecycle costs. The committee strongly supports fielding an improved GPS.

The committee recommends $45.0 million in PE 63421F, an increase of $45.0 million, to accelerate start of GPS III development and launch.

Next generation bomber program

The budget request contained no funds for a next generation bomber program.

The committee understands that the Air Force future years defense program (FYDP) includes science and technology funding for basic and applied bomber research in fiscal year 2006 to identify investments required to initiate a next generation bomber development program in the 2012 to 2015 timeframe, and notes that prior to 2012, the Air Force plans to upgrade its current bomber force to provide improved capabilities. The committee also notes that most of the Air Force's bomber fleet consists of 94 B–52 aircraft which are approximately 41 years old, and believes that beginning a bomber development program in fiscal year 2012, when the B–52 fleet is approximately fifty years old, would be too late to assure a sufficient bomber force structure to meet future requirements for long-range strike aircraft in light of the prospect that future basing for shorter range aircraft may not be assured.

Consequently, the committee recommends $100.0 million in a new program element, PE 63XXXF, to begin a next generation bomber program, and expects that the Department of the Air Force will include funding in its FYDP to develop and procure a next generation bomber well prior to the 2012 to 2015 timeframe.

Nuclear detonation detection system

The budget request contained $35.8 million in PE 35913F for the nuclear detonation detection (NUDET) system (space) integrated correlation and display system (ICADS).

The committee notes that responsibility for the development of the sensor, analysis payload and ground segments integration to the NDS payload is funded elsewhere, and that the Air Force contribution is limited to the ICADS ground segment. The committee believes that the increase above the original cost estimate is unjustified.

The committee supports the requirement for development and production of the ground terminal, and believes that the development can be completed within the original cost estimate.

The committee recommends $26.6 million in PE 35913F, a decrease of $9.2 million for Air Force ICADS ground segment development.

Operationally responsive launch

The budget request contained $24.4 million in PE 64855F for an operationally responsive launch system.

The committee strongly supports operationally responsive launch and its objective of developing an affordable simple, reliable time responsive launch system. The committee is aware that the Air

Force mission needs statement for operationally responsive spacelift was issued in December 2001.

The committee recommends $36.4 million in PE 64855F, an increase of $12.0 million for an operationally responsive launch to expedite development of this important capability to meet the defined mission need.

Precision location and identification (PLAID) technology program

The budget request contained $74.0 million in PE 64270F for electronic warfare (EW) development, but included no funds for the PLAID technology program.

The PLAID technology program will improve aircrew situational awareness by providing accurate ground emitter location and unambiguous identification for existing radar warning receivers. The committee understands that additional funds are required in fiscal year 2004 to mature the PLAID hardware and software to a production-ready state, and that, upon completion of the PLAID technology program, the PLAID upgrade may be installed on more that 5,190 Air Force aircraft. The committee notes that the Air Force Chief of Staff has included the PLAID technology program among his unfunded priorities for fiscal year 2004.

Consequently, the committee recommends $86.6 million in PE 64270F, an increase of $12.6 million for the PLAID technology program.

Space based radar

The budget request contained $274.1 million in PE 63858F for space based radar.

The committee is aware that the space based radar (SBR) radar system will provide persistent, near real-time high resolution surveillance deep into enemy territory and denied areas critical to the military and the intelligence community. The committee is aware that situational awareness will be dramatically improved by integrating the SBR output with products from other military sensors such as Joint STARS surveillance aircraft and unmanned aerial vehicles.

The committee recommends the budget request.

DEFENSE-WIDE RESEARCH, DEVELOPMENT, TEST, & EVALUATION

Overview

The budget request contained $17,974.3 million for Defense-wide research, development, test, and evaluation (RDT&E).

The committee recommends $18,174.4 million, an increase of $200.1 million to the budget request.

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		RESEARCH, DEVELOPMENT, TEST & EVAL, DEFENSEWIDE					
		BASIC RESEARCH					
0601101D8Z	1	In-House Laboratory Independent Research	0				0
0601101E	2	Defense Research Sciences	151,029	7,000			158,029
		Advanced Micro/Nano-Electromechanical Systems Technology			5,000		
		Integrated Nano- and Micro-manufacturing Technology			2,000		
0601103D8Z	3	University Research Initiatives	0				0
0601105D8Z	4	Force Health Protection	0				0
0601108D8Z	5	High Energy Laser Research Initiatives	0				0
0601111D8Z	6	Government/Industry Cosponsorship of University Research	0				0
0601114D8Z	7	Defense Experimental Program to Stimulate Competitive Research	0				0
0601384BP	8	Chemical and Biological Defense Program	35,831				35,831
		TOTAL, BASIC RESEARCH	**186,860**	**7,000**	**7,000**	**0**	**193,860**
		APPLIED RESEARCH					
0602227D8Z	9	Medical Free Electron Laser	9,494	10,000			19,494
		Program Increase			10,000		
0602228D8Z	10	Historically Black Colleges and Universities (HBCU) Science	0				0
0602234D8Z	11	Lincoln Laboratory Research Program	27,231				27,231
0602301E	12	Computing Systems and Communications Technology	404,859				404,859
0602302E	13	Embedded Software and Pervasive Computing	13,318				13,318
0602383E	14	Biological Warfare Defense	137,254	12,000			149,254
		Asymmetric Protocols for Biological Defense			12,000		
0602384BP	15	Chemical and Biological Defense Program	106,451	25,000			131,451
		Chemical Biological Defense Applied Research Initiative			25,000		
0602702E	16	Tactical Technology	250,558				250,558
0602712E	17	Materials and Electronics Technology	465,544				465,544

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0602715BR	18	Nuclear Sustainment & Counterproliferation Technologies	0				0
0602716BR	19	WMD Defeat Technology	183,178	10,000			193,178
		Nuclear Weapons Effects			10,000		
0602717BR	20	Strategic Defense Technologies	116,049				116,049
0602787D8Z	21	Medical Technology	9,213				9,213
0602890D8Z	22	High Energy Laser Research	0				0
1160401BB	23	Special Operations Technology Development	9,715				9,715
1160407BB	24	SOF Medical Technology Development	1,961				1,961
		TOTAL, APPLIED RESEARCH	**1,734,825**	**57,000**	**57,000**	**0**	**1,791,825**
		ADVANCED TECHNOLOGY DEVELOPMENT					
0603002D8Z	25	Medical Advanced Technology	5,028	7,100			12,128
		Anti-Radiation Drug Development			7,100		
0603104D8Z	26	Explosives Demilitarization Technology	0				0
0603121D8Z	27	SO/LIC Advanced Development	31,300				31,300
0603122D8Z	28	Combating Terrorism Technology Support	60,526	14,800			75,326
		Facial Recognition Access Control Technology			3,000		
		Chemical Biological Electrostatic Decontamination System			4,800		
		Blast Mitigation Analysis			5,000		
		Magnetic Quadrupole Resonance Explosive Detection			2,000		
0603160BR	29	Counterproliferation Advanced Development Technologies	76,277				76,277
0603175C	30	Ballistic Missile Defense Technology	240,820	(55,800)			185,020
		Program Reduction				(55,800)	
		Silicon Carbide Wide Bandgap Technology			[5,500]		
		Silicon Brain Architecture			[2,000]		
0603225D8Z	31	Joint DoD-DoE Munitions Technology Development	25,011				25,011
0603232D8Z	32	Automatic Target Recognition	0				0

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0603285E	33	Advanced Aerospace Systems	323,730	10,000			333,730
		Suborbital Space Launch Operations Improvement			10,000		
0603384BP	34	Chemical and Biological Defense Program - Advanced Development	103,725	25,000			128,725
		Chemical Biological Defense Advanced Technology Demonstration Initiative			25,000		
0603704D8Z	35	Special Technical Support	11,693				11,693
0603711BR	36	Arms Control Technology	4,807				4,807
0603712S	37	Generic Logistics R&D Technology Demonstrations	22,359	1,000			23,359
		Connectory for Rapid Identification of Technology Sources			1,000		
0603716D8Z	38	Strategic Environmental Research Program	47,068				47,068
0603727D8Z	39	Joint Warfighting Program	9,685				9,685
0603728D8Z	40	Agile Port Demonstration	0				0
0603739E	41	Advanced Electronics Technologies	174,150				174,150
0603750D8Z	42	Advanced Concept Technology Demonstrations	213,361				213,361
0603752D8Z	43	Commercial Technology Insertion Program	0				0
0603755D8Z	44	High Performance Computing Modernization Program	0				0
0603760E	45	Command, Control and Communications Systems	242,738				242,738
0603762E	46	Sensor and Guidance Technology	342,914				342,914
0603763E	47	Marine Technology	13,898				13,898
0603764E	48	Land Warfare Technology / FCS	82,387				82,387
0603765E	49	Classified DARPA Programs	210,532				210,532
0603766E	50	Network-Centric Warfare Technology	95,654				95,654
0603769D8Z	51	Distributed Learning Advanced Technology Development	0				0
0603781D8Z	52	Software Engineering Institute	22,652				22,652
0603805S	53	Dual Use Application Programs	0				0
0603826D8Z	54	Quick Reaction Special Projects/Challenge Program	74,385				74,385
0603832D8Z	55	Joint Wargaming Simulation Management Office	44,887				44,887
0603924D8Z	56	High Energy Laser Advanced Technology Program	0				0

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0603942D8Z	57	Technology Link	2,000				2,000
0603943D8Z	58	Air-to-Air Technology	2,000	(2,000)			0
		Program reduction				(2,000)	
0605160D8Z	59	Counterproliferation Support	1,882				1,882
0605803SE	60	R&D in Support of DoD Enlistment, Testing and Evaluation	13,757				13,757
1160402BB	61	Special Operations Advanced Technology Development	67,017	11,500			78,517
		Multi-Band Multi-Mission Radio			10,000		
		Computer Assisted Medical Diagnosis			1,500		
63xxxD8Z	61a	Joint Experimentation		151,058			151,058
		Joint Experimentation (Transfer from PE 63727N)			151,058		
		TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT	**2,566,243**	**162,658**	**220,458**	**(57,800)**	**2,728,901**
		ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES					
0603228D8Z	62	Physical Security Equipment	0				0
0603709D8Z	63	Joint Robotics Program	11,515				11,515
0603714D8Z	64	Advanced Sensor Applications Program	16,718	18,500			35,218
		Advanced Solid-state Dye Laser			6,500		
		Multi-wavelength Surface Scanning Biologics Sensor			2,000		
		Advanced Sensor Applications Program Classified Program Increase			10,000		
0603736D8Z	65	CALS Initiative	4,000				4,000
0603851D8Z	66	Environmental Security Technical Certification Program	35,594				35,594
0603869C	67	Meads Concepts	0				0
0603879C	68	Advanced Concepts, Evaluations And Systems	151,696				151,696
0603880C	69	Ballistic Missile Defense System Segment	0				0
0603881C	70	Ballistic Missile Defense Terminal Defense Segment	810,440	313,259			1,123,699
		MEADS Transfer			276,259		
		THAAD			37,000		

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0603882C	71	Ballistic Missile Defense Midcourse Defense Segment	3,613,266	29,900			3,643,166
		Aegis			7,000		
		Sea-Based X-Band Radar (SBX)			22,900		
		Common RF Scene Generation Capability			[4,800]		
0603883C	72	Ballistic Missile Defense Boost Defense Segment	626,264				626,264
0603884BP	73	Chemical and Biological Defense Program	162,142	15,000			177,142
		Primate Biomedical Laboratory Test and Evaluation Capability			15,000		
0603884C	74	Ballistic Missile Defense Sensors	438,242				438,242
0603886C	75	Ballistic Missile Defense System Interceptor	301,052	(150,000)			151,052
		System Interceptor Program reduction				(150,000)	
0603888C	76	Ballistic Missile Defense Test & Targets	611,522				611,522
0603889C	77	Ballistic Missile Defense Products	343,644	(31,100)			312,544
		Products Program reduction				(31,100)	
0603890C	78	Ballistic Missile Defense Systems Core	483,996	(45,000)			438,996
		System Core Program reduction				(45,000)	
		Wide Bandwidth Technology			[9,500]		
		Ballistic Missile Launch Canister Design and Manufacturing Improvements			[5,000]		
0603910D8Z	79	Strategic Capability Modernization	0				0
0603920D8Z	80	Humanitarian Demining	13,299				13,299
0603923D8Z	81	Coalition Warfare	5,906				5,906
0604722D8Z	82	Joint Service Education and Training Systems Development	0				0
0303191D8Z	83	Joint Electromagnetic Technology (JET) Program	6,362				6,362
		TOTAL, ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	**7,635,658**	**150,559**	**376,659**	**(226,100)**	**7,786,217**
		SYSTEM DEVELOPMENT & DEMONSTRATION					
0604384BP	84	Chemical and Biological Defense Program	148,017				148,017
0604618D8Z	85	MANPADS Defense Program	25,000	(22,000)			3,000

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		Program reduction				(22,000)	
0604709D8Z	86	Joint Robotics Program	13,597	12,500			26,097
		Packbot Tactical Mobile Robot			12,500		
0604764K	87	Advanced IT Services Joint Program Office (AITS-JPO)	18,910				18,910
0604771D8Z	88	Common Joint Tactical Information	10,633				10,633
0604861C	89	Theater High-Altitude Area Defense System - TMD	0				0
0604865C	90	Patriot PAC-3 Theater Missile Defense Acquisition	0				0
0604867C	91	Navy Area Theater Missile Defense	0				0
0605013BL	92	Information Technology Development	10,539	(10,539)			0
		Rapid Acquisition Incentives				(10,539)	
0605013D8Z	93	Software Development	0				0
0605015BL	94	Information Technology Development-Standard Procurement System (SPS)	5,195				5,195
0605016D8Z	95	Financial Management Modernization Program	84,688				84,688
0303129K	96	Defense Message System	10,170	(10,170)			0
		Program reduction				(10,170)	
0303140K	97	Information Systems Security Program	5,987				5,987
0303141K	98	Global Combat Support System	17,259				17,259
0305840K	99	Electronic Commerce	6,028				6,028
0305840S	100	Electronic Commerce	2,360				2,360
		TOTAL, SYSTEM DEVELOPMENT & DEMONSTRATION	**358,383**	**(30,209)**	**12,500**	**(42,709)**	**328,174**
		RDT&E MANAGEMENT SUPPORT					
0603757D8Z	101	Training Transformation (T2)	2,951				2,951
0603858D8Z	102	Unexploded Ordnance Detection and Clearance	0				0
0604774D8Z	103	Defense Readiness Reporting System (DRRS)	18,575				18,575
0604943D8Z	104	Thermal Vicar	7,157				7,157
0605104D8Z	105	Technical Studies, Support and Analysis	30,204	2,000			32,204

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		National Defense University Sponsored Research Program			2,000		
0605110BR	106	Critical Technology Support	1,858				1,858
0605114D8Z	107	BLACK LIGHT	19,675				19,675
0605114E	108	BLACK LIGHT	0				0
0605116D8Z	109	General Support to C3I	24,638				24,638
0605117D8Z	110	Foreign Material Acquisition and Exploitation	33,916				33,916
0605123D8Z	111	Export License Control	8,837	(3,000)			5,837
		Program reduction - IT				(3,000)	
0605124D8Z	112	Defense Travel System	31,806				31,806
0605126J	113	Joint Theater Air and Missile Defense Organization	87,250				87,250
0605128D8Z	114	Classified Program USD(P)	0				0
0605130D8Z	115	Foreign Comparative Testing	34,873				34,873
0605384BP	116	Chemical and Biological Defense Program	39,345				39,345
0605502C	117	Small Business Innovative Research - MDA	0				0
0605502E	118	Small Business Innovative Research	0				0
0605710D8Z	119	Classified Programs - C3I	20,556				20,556
0605790D8Z	120	Small Business Innovation Research/Challenge Administration	2,026				2,026
0605798S	121	Defense Technology Analysis	5,209				5,209
0605799D8Z	122	Force Transformation	19,675				19,675
0605801K	123	Defense Technical Information Services (DTIC)	44,162				44,162
0605803SE	124	R&D in Support of DoD Enlistment, Testing and Evaluation	8,858				8,858
0605804D8Z	125	Development Test and Evaluation	8,938				8,938
0605898E	126	Management Headquarters (Research and Development) DARPA	45,002				45,002
0901585C	127	Pentagon Reservation	14,481				14,481
0901598C	128	Management Headquarters - MDA	93,441				93,441
0901598D8W	129	IT Software Dev Initiatives	8,605				8,605
0909999E	130	Financing for Cancelled Account Adjustments	0				0

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		TOTAL, RDT&E MANAGEMENT SUPPORT	**612,038**	**(1,000)**	**2,000**	**(3,000)**	**611,038**
		OPERATIONAL SYSTEMS DEVELOPMENT					
0604805D8Z	131	Commercial Operations and Support Savings Initiative	0				0
0605127T	132	Partnership for Peace (PfP) Information Management System	1,934				1,934
0605601D8Z	133	RDT&E Transformational Programs	0				0
0607384BP	134	Chemical and Biological Defense (Operational Systems Development)	3,442				3,442
0208043J	135	ISLAND SUN	1,469				1,469
0208045K	136	C4I Interoperability	42,415				42,415
0208052J	137	Joint Analytical Model Improvement Program	7,254				7,254
0300205R	138	Information Technology Systems	550				550
0301011G	139	Cryptologic Activities					0
0301301L	140	General Defense Intelligence Program					0
0301398L	141	Management Headquarters GDIP, DIA					0
0302016K	142	National Military Command System-Wide Support	1,133				1,133
0302019K	143	Defense Info Infrastructure Engineering and Integration	2,460				2,460
0303126K	144	Long Haul Communications (DCS)	1,401				1,401
0303127K	145	Support of the National Communications System	0				0
0303131K	146	Minimum Essential Emergency Communications Network (MEECN)	7,198				7,198
0303140D8Z	147	Information Systems Security Program	14,790				14,790
0303140G	148	Information Systems Security Program	476,657	750			477,407
		Program Increase			750		
0303149J	149	C4I for the Warrior	4,199				4,199
0303149K	150	C4I for the Warrior	37,100				37,100
0303150K	151	Global Command and Control System	49,991	(17,000)			32,991
		Program reduction - IT				(17,000)	

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Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0303153K	152	Joint Spectrum Center	18,850				18,850
0303165K	153	Defense Collaboration Tool Suite (DCTS)	14,915				14,915
0303170K	154	Net-Centric Enterprise Services (NCES)	40,830	(40,830)			0
		Program reduction - IT				(40,830)	
0303610K	155	Teleport Program	10,462				10,462
0304210BB	156	Special Applications for Contingencies	24,587				24,587
0304345BQ	157	National Imagery and Mapping Program					0
0305102BQ	158	Defense Imagery and Mapping Program	161,873	12,200			174,073
		GeoSAR			12,200		
0305125D8Z	159	Critical Infrastructure Protection (CIP)	2,051				2,051
0305127BZ	160	Foreign Counterintelligence Activities					0
0305127V	161	Foreign Counterintelligence Activities	0				0
0305146BZ	162	Defense Joint Counterintelligence Program (JMIP)	82,266				82,266
0305146D8Z	163	Defense Joint Counterintelligence Program (JMIP)	30,757	7,500			38,257
		Defense Joint Counterintelligence Program Deception Program			7,500		
0305190D8Z	164	C3I Intelligence Programs	132,094				132,094
0305191D8Z	165	Technology Development	249,152	(22,500)			226,652
		Program reduction				(22,500)	
0305193L	166	Intelligence Support to Information Operations (IO)					0
0305202G	167	Dragon U-2 (JMIP)	2,747				2,747
0305206G	168	Airborne Reconnaissance Systems	12,184				12,184
0305207G	169	Manned Reconnaissance Systems	4,424				4,424
0305208BQ	170	Distributed Common Ground Systems					0
0305208G	171	Distributed Common Ground Systems					0
0305208L	172	Distributed Common Ground Systems	979				979
0305883L	173	Hard and Deeply Buried Target (HDBT) Intel Support					0
0305884L	174	Intelligence Planning and Review Activities					0

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(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
0305885G	175	Tactical Cryptologic Activities	112,691				112,691
0305889G	176	Counterdrug Intelligence Support	0				0
0305917D8Z	177	National Security Space Architect (NSSA)	0				0
0708011S	178	Manufacturing Technology	16,163	4,000			20,163
		Titanium Reduction Processes			4,000		
0708012S	179	Logistics Support Activities	35,781				35,781
0902298J	180	Management Headquarters (JCS)	18,943				18,943
1001018D8Z	181	NATO Joint STARS	24,721				24,721
1160279BB	182	Small Business Innovative Research/Small Bus Tech Transfer Pilot Prog	0				0
1160401BB	183	Special Operations Technology Development	0				0
1160402BB	184	Special Operations Advanced Technology Development	0				0
1160404BB	185	Special Operations Tactical Systems Development	255,981	10,000			265,981
		Advanced Target Identification Capability for AC-130U Gunship			6,500		
		Cobra Blue Force Tracking			3,500		
1160405BB	186	Special Operations Intelligence Systems Development	16,726				16,726
1160407BB	187	SOF Medical Technology Development	0				0
1160408BB	188	SOF Operational Enhancements	64,430				64,430
XXXXXXX	999	Classified	2,894,650				2,894,650
		TOTAL, OPERATIONAL SYSTEMS DEVELOPMENT	**4,880,250**	**(45,880)**	**34,450**	**(80,330)**	**4,834,370**
	xxx	Information Technology Reduction		(100,000)		(100,000)	(100,000)
		TOTAL, RDT&E, DEFENSE-WIDE	**17,974,257**	**200,128**	**710,067**	**(509,939)**	**18,174,385**

Items of Special Interest

Advanced Micro/Nano-Electromechanical Systems Technology

The budget request contained $151.0 million in PE 61101E for defense research sciences, including $18.7 million for basic research in electronic sciences.

The committee notes the phenomenal progress in microelectronic innovation that has characterized the last decade in the exploration and demonstration of micro electromechanical machines, electronic and optoelectronic devices, circuits and processing concepts. Research areas include new electronic and optoelectronic devices and circuit concepts, operation of devices at higher frequency and lower power, development of innovative optical and electronic technologies for interconnecting modules in high performance systems, electronically controlled micro-instruments that offer the possibility of nanometer-scale probing, sensing and manipulation for ultra-high density information storage "on-a-chip," for nanometer-scale patterning, and for molecular level analysis and synthesis.

The committee recommends an increase of $5.0 million in PE 61101E for basic research in advanced micro- and non-electromechanical systems technology.

Advanced sensor applications program

The budget request contained $16.7 million in PE 63714D8Z for the advanced sensor applications program (ASAP). The committee is concerned that promising projects executed by the Navy's PMA264 program office are appreciably under funded for special programs under development.

Therefore, the committee recommends an increase of $10.0 million in PE 63714D8Z for ASAP.

Additional details are contained in the classified annex to this report.

Advanced solid-state dye laser

The budget request contained $16.7 million in PE 63714D8Z for the advanced sensor applications program.

The committee recommends an increase of $6.5 million to continue development and demonstration of advanced solid-state dye laser technology.

Advanced target identification capability for AC–130U gunships

The budget request contained $256.0 million for special operations tactical systems development, but included no funding for the advanced target identification capability for AC–130U gunships. This enhancement to the gunship radar will enable the crew to make accurate and near instantaneous identification of friendly and enemy vehicles on the battlefield. To complete the project, funding is needed to collect data during flight tests on military ranges, develop the recognition algorithms, and integrate the algorithms into the gunship radar system.

The committee recommends $262.5 million in PE 1160404BB, an increase of $6.5 million.

Air to air technology

The budget request included a new program, air to air technology, in PE 63943D8Z. The purposes for which this authorization is requested is redundant to the over $68.0 million authorization requested for foreign material acquisition and exploitation and foreign comparative testing.

The committee recommends no funding for this program, a reduction of $2.0 million to the budget request.

Anti-radiation drug development and trials program

The budget request contained $5.0 million in PE 63002D8Z for medical advanced technology development.

The medical advanced technology development program supports applied research by the Armed Forces Radiobiology Research Institute (AFRRI) for advanced development of biomedical strategies to prevent, treat, and assess health consequences from exposure to ionizing radiation. The program addresses critical gaps in the ability to effectively prevent, assess, and treat the spectrum of injuries induced by ionizing radiation and capitalizes on discoveries in basic research and from academia and industry to identify, develop, and advance medical countermeasures into and through pre-clinical studies toward newly licensed products. Additionally, AFRRI supports accredited defense-wide training programs for medical personnel and provides advice and guidance to the Joint Staff and combatant commanders for operational contingencies. Because national laboratories operated by the Department of Energy no longer support advanced research relevant to military medical radiobiology, AFRRI is currently the only national resource carrying out this mission.

The committee notes progress in the development of an advanced radioprotectant ("anti-radiation") drug (5-androstenediol) that shows great promise and the initiation in fiscal year 2003 of preclinical safety and toxicity assessment and small and large animal trials. Fiscal year 2004 plans include extension of the work to preclinical trials in nonhuman primates and submission of investigational new drug applications to the Food and Drug Administration.

The committee recommends $12.1 million in PE 63002D8Z, an increase of $7.1 million to continue the program for development and trials of radioprotectant drugs by the Armed Forces Radiobiology Research Institute.

The committee also understands that the lack of operations and maintenance funding for the AFRRI physical plant (a 108,000 square foot DOD research facility) and indirect support activities critically reduces the amount of the research, development, test and evaluation funds available for direct research activities. The committee directs the Director of Defense Research and Engineering to address this shortcoming in the execution of the fiscal year 2004 budget and in future budget requests.

Asymmetric protocols for biological defense

The budget request contained $137.3 million in PE 62383E for biological warfare defense applied research.

A military or terrorist scenario in which aerosolized biological agents such as anthrax spores or smallpox virus are used would almost certainly result in mass casualties. Weaponized forms of the

agents offer significant challenges to medical treatment that are not found in naturally occurring forms. While antibiotics are the only approved method for treating anthrax, the recent bioterrorist anthrax attack in Washington showed that antibiotics are unfortunately not adequate to provide full treatment against inhalation anthrax. The committee also notes that there are a number of biological agents that could, with appropriate development and weaponization, be used in biological warfare, or in a terrorist attack and developing specific protection against all possible biological agents presents a significant challenge. As a result, the committee believes there is a need for therapeutics that would provide broad spectrum protection against a range of possible biological agents and that would also work in concert with other methods of treatment.

The committee notes research in therapeutics that shows good results from laboratory testing in mice against pox virus and against anthrax and appears to have the potential for providing broad spectrum protection. Other tests have involved therapeutics that may reinforce the innate immunity of the host. The committee believes that the results of the research to date are promising and the research should continue.

Accordingly, the committee recommends an increase of $12.0 million in PE 62383E to continue research in asymmetric protocols that would provide broad spectrum protection for biological defense.

Ballistic missile defense

The committee supports the budget request of $9.1 billion for ballistic missile defense. However, the committee has made some adjustments within the budget request to transfer funds from longer-term, less well defined efforts to increase support for programs with nearer-term benefit to the warfighter.

Technology and advanced concepts

The budget request contained $240.8 million in PE 63175C for ballistic missile defense (BMD) technology and $151.7 million in new PE 63879C for Advanced Concepts, Evaluations, and Systems. Taken together, the fiscal year 2004 request for crosscutting technology and concepts development represents an increase of $241.4 million over the comparable fiscal year 2004 request.

The committee notes that the budget request is significantly above the fiscal year 2004 projection in the fiscal year 2003 budget request, without detailed justification for the increase. The committee believes that a portion of this increase should be used to fund nearer term projects.

The committee recommends $185.0 million in PE 63175C for technology, a decrease of $55.8 million.

Within funds available for BMD technology in PE 63175C, the committee recommends $5.5 million for silicon carbide wide bandgap semiconductor development for advanced power electronics, communications and sensor applications, and $2.0 million for "silicon brain architecture" development to condense circuitry for target signature comparison and recognition applications.

Terminal defense segment

The budget request contained $810.4 million in PE 63881C for the ballistic missile defense terminal defense segment; the committee recommends $1,123.7 million.

The committee recommends an increase of $276.3 million as a result of transferring the Medium Extended Air Defense System (MEADS) program from the Army to the Missile Defense Agency. MEADS is discussed elsewhere in the committee report.

The committee notes that the theater high altitude area defense (THAAD) program is proceeding at a slower pace than other elements of the ballistic missile defense system, and that despite a recent redesign that requires flight testing, tests are still scheduled at large intervals. The committee is further aware an opportunity exists to compress the testing schedule while adding a flight test and reducing program risk. The committee recommends an increase of $37.0 million for THAAD to accelerate testing.

The budget request for the terminal defense segment contained $64.8 million for the Arrow program. The Arrow anti-tactical ballistic missile defense system has been under development since 1988 under an agreement between the governments of the United States and Israel. The committee has supported this development program, and continues to support the evolution of the system to counter more challenging threats under the Arrow System Improvement Program. The committee has also supported procurement of three Arrow batteries, funding for the last of which was completed in fiscal year 2002. Most recently, Congress has provided in fiscal year 2003 funds for co-production of Arrow in the United States. All told, more than $2.0 billion has been invested in Arrow, arguably most by the United States either through direct appropriations or military assistance grants to the government of Israel. The committee has reservations about recent interest shown by Israel in the sale of Arrow to third parties. In the more general context of international cooperative missile defense programs, the committee has concerns regarding how such sales comport with the obligations of the United States under international treaties and agreements, the possibility of technology transfers that might assist foreign offensive missile programs, and the rights of the United States to share in revenue generated through third party sales. The committee urges the administration to give serious consideration to policy development in this area prior to approving third party sales of missile defense technologies co-developed by the United States.

Midcourse defense segment

The budget request contained $3,613.3 million in PE 63882C for the ballistic missile defense (BMD) midcourse defense segment. This PE provides funding for key elements of the President's program to begin fielding an initial defensive operational capability in fiscal year 2004, including the block 2004 ground-based midcourse defense test bed and the block 2004 Aegis ballistic missile defense element. The committee supports the intent of the Department of Defense to make use of the inherent capability of the BMD system test bed to provide a limited defense, but urges the Department to focus this asset on the developmental and operational testing that will lead to effective defenses over the long term.

The committee is aware that a need exists for additional funding for Aegis ballistic missile defense radar improvements such as an additional receive antenna to enable two-way communications with in-flight missiles and to allow for off-board cueing. This capability is now being tested using a partial installation of the S-band phased array antenna system (SPAAS) on USS Lake Erie, but a complete installation is not funded.

The committee also notes that the sea-based X-band radar (SBX) will enter testing with a minimal number of transmit/receive modules. In order to promote more realistic testing, the committee recommends funding for additional transmit/receive modules and software development.

The committee recommends $3,643.2 million in PE 63882C, an increase of $7.0 million for Aegis to complete the four-panel SPAAS array and four-corner distributed controller installation on USS Lake Erie, and an increase of $22.9 million for ground based missile defense SBX.

The Aegis BMD program is upgrading the Aegis SPY–1 radar system with a common signal processor to track both air and ballistic missile threats. The committee recommends, from within funds available for the midcourse defense segment, $4.8 million for development of a common radio frequency scene generation capability to support the common signal processor program.

System interceptor

The budget request contained $301.1 million in PE 63886C for system interceptor.

The committee notes that the budget request includes a new start program, the ballistic missile defense (BMD) system interceptor, intended to develop a new family of ground-based, sea-based and space-based interceptors. The committee notes that testing and development of the first generation of defensive missiles has barely begun, and observes that the requested amount is quite substantial for a program that has not yet gone through concept definition.

The committee recommends $151.1 million in PE 63886C for concept definition and technology development, a decrease of $150.0 million.

Systems core segment

The budget request contained $484.0 million for ballistic missile defense system core activities in PE 63890C.

The committee notes that funding for the national team is not detailed in a way that allows an understanding of what projects the national team works on, why its funding requirement has grown, or offers ways to measure performance. Therefore, the committee believes that funding for the national team should be held to the fiscal year 2003 level.

The committee recommends $439.0 million in PE 63890C for systems core, a decrease of $45.0 million.

From within funds available for command and control, battle management and communications, the committee recommends $9.5 million for wide bandwidth technology for development and demonstration of secure, high bandwidth satellite communications in support of the Pacific ballistic missile defense test bed.

The committee notes the advantages of canisterized launch systems to ground maneuver forces and recommends, from within funds available for producibility and manufacturing technology, $5.0 million for domestic industrial base development for the manufacture of modern composite missile canisters.

Products

The budget request contained $343.6 million in PE 63889C for products.

The committee notes that proposed funding for the joint national integration center and missile defense national team has increased significantly without clear justification. The committee believes that a portion of the additional funding can be used more effectively for other projects.

The committee recommends $312.5 million in PE 63889C, a decrease of $31.1 million.

Ballistic missile defense testing

On December 17, 2002, President Bush directed the Secretary of Defense to proceed with fielding an initial set of missile defense capabilities. These capabilities included using the testbed for the Ballistic Missile Defense System (BMDS) in an operational role, should events warrant, including up to 20 ground-based and up to 20 sea-based defensive missiles.

The committee understands the Department's intent to make use of the inherent defensive capability of the BMDS testbed. The committee is concerned, however, about the use of test assets in an operational role. The committee appreciates the different objectives of developmental and operational testing, and notes that other Department programs have recently experienced significant setbacks by conducting such testing concurrently.

The committee strongly urges the Department to ensure that assets used in an operational defense role undergo the full and rigorous testing required by law, prior to being placed in an operational status.

Ballistic missile defense reporting requirements

The language in the committee report on H.R. 4546 (H. Rept. 107–436) urged the Department of Defense to include budgetary and developmental baseline reports for the various block components of the Ballistic Missile Defense System (BMDS). This language became the basis for Section 221 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, (Public Law 107–314), requiring performance goals and development baselines for each block component of the BMDS and budget justification materials that relate to these goals and baselines.

The committee believes that the Department has made a good-faith effort to comply with Section 221. The committee is encouraged by the sharp improvement in the budget justification materials, and believes that the fiscal year 2004 submission contains much more information on BMDS performance goals and development baselines than was provided in the previous two budget submissions. While the committee commends the Department for the improvement in the justification materials, it notes several shortcomings that should be addressed in future years.

The most serious shortcoming was the lack of system performance goals in the classified "Systems Capability Statement" for several block 2004 BMD elements, notably Ground-Based Midcourse (GMD) and Aegis Ballistic Missile Defense (Aegis BMD). While some specific subcomponent performance goals were provided, the overall performance goals for GMD and Aegis BMD were difficult to understand. The 2004 block performance goals for the Airborne Laser (ABL) in the "Systems Capability Statement" were much closer to what the committee is seeking, as were the performance goals in the "BMDS Statement of Goals" submitted to the committee with the Missile Defense Agency's January 27, 2003 briefing to the Joint Requirements Oversight Council. The committee urges the Missile Defense Agency to use these examples as a model for specifying the system performance goals for all other program blocks under development.

In addition, neither the development baselines in the classified "Systems Capability Statement" nor the budget justification materials adequately summarized the testing objectives for the systems under development.

The committee also notes that the budget proposals and justification materials for activities of the missile defense national team (MDNT) contained much less detail than other activities within the MDA, and hopes that future budgets will offer a better understanding of how MDNT resources are expended.

The committee is generally pleased with the compliance with Section 221, but urges the Department to pay special attention to these areas of concern.

Blast mitigation and analysis technology

The budget request contained $60.5 million in PE 63122D8Z for the combating terrorism technology support program.

The committee notes the continuing threat posed to military and civilian personnel, buildings, and other infrastructure by the terrorist use of conventional and improvised explosives. Congress provided an additional $3.5 million in fiscal year 2003 for blast mitigation testing, including the development of new materials for protecting buildings and other infrastructure and new testing techniques and technologies for the qualification of new structural designs.

The committee recommends an increase of $5.0 million in PE 63122D8Z to continue the program for development and evaluation of blast mitigation and analysis technology.

Chemical/biological defense research, development, test and evaluation program

The budget request contained a total of $599.0 million for chemical/biological defense research, development, test, and evaluation, including $35.8 million in PE 61384BP for basic research, $106.5 million in PE 62384BP for applied research, $103.7 million in PE 63384BP for advanced technology development, $162.1 million in PE 63884BP for demonstration/validation, $148.1 million for engineering and manufacturing development, and $39.3 million in PE 65384BP for RDT&E management support. The budget request also contained $137.3 million in PE 62383E for the Defense Ad-

vanced Research Projects Agency (DARPA) biological defense research program.

The committee notes that the changing chemical and biological threat, both to U.S. armed forces on the world's battlefields and to U.S. homeland security, places more emphasis on the need for responsive technology options that could address the threat; the ability to quickly assess, develop, and demonstrate the technology; and then, the ability to rapidly insert or deploy the technology in fielded systems. The committee also notes the wealth of new concepts and technologies of varying levels of maturity that emerge annually from the nation's science and technology base and the recommendations that the committee receives for exploitation of particular technologies to improve the capabilities of U.S. forces or to address homeland security issue issues. The committee recommends the establishment in the chemical biological defense program of two initiatives, one in the applied research category and one in the advanced technology development category, that would provide the opportunity for emerging technologies and concepts to compete for funding on the basis of technical merit and on the contribution that the technology could, if implemented, make to the chemical biological defense capabilities of the armed forces and to homeland defense. During its review of the fiscal year 2004 budget request the committee has received proposals for establishment of a number of projects that the committee recommends be considered for possible funding under the appropriate initiative.

Chemical biological defense applied research initiative

The committee recommends that the projects and technologies to be considered for funding under the applied research initiative include, but are not limited to the following:

(1) Air contaminant monitoring technology
(2) Automated liquid phase detectors for toxic compounds
(3) Biological detection system technology
(4) Chemical biological regenerative air filters
(5) Chemical biological protective garment technology
(6) Engineering pathogen identification and countermeasures
(7) Multivalent Ebola, Marburg fiolovirus vaccine technology
(8) Rapid anti-body based biological countermeasures
(9) Rapid decontamination system for nerve agents
(10) Rapid vaccine development technology

The committee recommends $131.5 million in PE 62384BP, an increase of $25.0 million for the chemical biological defense applied research initiative.

Chemical biological defense advanced technology development initiative

The committee recommends that the projects and technologies to be considered for funding under the advanced technology development initiative include, but not be limited the following:

(1) Biological defense gene knockout technology
(2) Decontamination using atmospheric plasmas
(3) Hand-held biological agent detectors
(4) High intensity pulsed radiation for defeat of chemical and biological agents

(5) Immunochemical biological/chemical threat agent detectors

(6) Non-toxic, non-corrosive chemical biological decontamination

(7) Polymer based biological micro-lectromechanical machines

(8) Transportable collective protection shelters

(9) Low cost biological particle sensors

The committee recommends $128.7 million in PE 63384BP, an increase of $25.0 million for the chemical biological defense applied research initiative.

Chemical biological electrostatic decontamination system

The budget request contained $60.5 million in PE 63122D8Z for the Combating Terrorism Technology Support program. No funds were included to continue the development and demonstration of the chemical biological electrostatic decontamination system.

The committee notes that the electrostatic decontamination system uses a photosensitive, electrostatically charged mist, which when sprayed onto a contaminated surface and illuminated with ultraviolet light destroys the chemical or biological agents that are present. Successful development and demonstration of the system could result in a field expedient decontamination capability that would be less dependent on water and would not require the deployment of post-decontamination waste disposal equipment. Congress added $6.3 million in fiscal year 2003 that is being used to complete laboratory and field tests of the technology. The committee notes the progress made to date in the program and recommends continued development and evaluation of the technology for potential transition to a fielded system.

The committee recommends an increase of $4.8 million in PE 63122D8Z to continue development and evaluation of the electrostatic decontamination system.

Cobra blue force tracking

The budget request contained $256.0 million in PE 116404BB for special operations advanced technology development, but included no funding for Cobra blue force tracking.

The committee notes that Special Operations Command (SOCOM) has acquired several thousand blue force tracking transmitters that enable real-time tracking of friendly forces throughout the world. The committee is aware that a second generation prototype mini-blue force tracking receiver is being developed to reduce size and weight by half and improve performance.

The committee supports improved blue force tracking and recommends an increase of $3.5 million for the mini-blue force tracking receiver.

Connectory for rapid identification of technology sources

The budget request contained $22.4 million for generic logistics research and development demonstrations, but included no funding for the connectory of rapid identification of technology sources for the Department of Defense. The connectory pilot would provide the Department with one stop access to the industrial technology base,

permitting rapid identification of promising sources of new, creative technical solutions.

The committee recommends $23.4 million in PE 63712S, an increase of $1.0 million. Department of Defense information technology research and development.

Department of Defense information technology research and development

The committee is highly concerned about how defense-wide information technology (IT) systems are managed. In particular, two IT systems are of the committee's concern. The Defense Message System is severely behind schedule, has not met user requirements, and has just projected an additional amount of $5.0 billion over the original cost of $9.0 billion. The other is a command and control system that should already be accessible by all of the military services, but is not, and therefore, the Department of Defense is requesting funding to accomplish that objective. In light of these IT issues, the committee recommends a reduction of $81.4 million for these and other programs.

Defense science and technology funding

The budget request contained $10.2 billion for the Department of Defense science and technology program, including all defense-wide and military service funding for basic research, applied research, and advanced development. The request included $1.8 billion for the Army, $1.7 billion for the Navy, $2.2 billion for the Air Force, and $4.5 billion for Defense Agency science and technology [including $2.9 billion for the Defense Advanced Research Projects Agency (DARPA)]. The committee recommends $10.9 billion for the Department of Defense science and technology program, an increase of $661.9 million to the budget request. The committee's recommendation includes $2.0 billion for the Army (an increase of $241.5 million), $1.8 billion for the Navy (an increase of $79.4 million), $2.3 billion for the Air Force (an increase of $114.4 million), and $4.7 billion for Defense Agency science and technology, an increase of $226.7 million (including $2.9 billion for DARPA, an increase of $226.7 million).

The committee views defense science and technology investment as critical to maintaining U.S. military technological superiority in the face of growing and changing threats to U.S. national security interests around the world. The committee notes that the budget request at a level of 2.7 percent of the total DOD budget does not meet the goal of 3 percent established by the 2001 Quadrennial Defense Review.

The committee notes that the military departments are responsible for approximately 56 percent of the defense science and technology budget (Army 17 percent, Navy 17 percent, and Air Force 22 percent) and Defense Agencies account for 44 percent, including 29 percent in DARPA. Defense agencies focus on science and technology specific to the particular agency or, in the case of DARPA on national-level problems, operational dominance, and exploitation of high-risk, high-payoff technologies. The military departments' science and technology programs focus on the development and transition of more mature technologies into future weapons sys-

tems that are key to the ability of the military departments to achieve their transformation objectives.

Advanced concept technology demonstrations and technology transition

The committee notes that the Department continues to explore innovative and transformational concepts associated with the need to rapidly develop and field new technological capabilities. Advanced concept technology demonstrations are low-to-moderate risk capability demonstration and evaluation programs in which the material developer and a warfighting sponsor jointly explore applications of the technology and the military utility of a proposed capability prior to commitment to a major acquisition program. The committee notes that since the commencement of the program in 1994, a total of 115 unclassified ACTD's have been initiated; forty-five of these were completed as of the end of fiscal year 2002, resulting in 120 distinct products. Of this number, eight entered engineering and manufacturing development; thirty-three transitioned to acquisition; forty-five have integrated with current operational software systems, such as the Global Command and Control System and the Global Combat Support System; and thirty-six hardware-based solutions have previously been or currently are operationally deployed.

The committee also notes and commends the manner in which the Deputy Under Secretary of Defense (Advanced Systems and Concepts) in coordination with the military services' science and technology executives have, in addition to the ACTD program, integrated a number of innovative programs for the transition of new and innovative technologies across the product and process life cycle of defense weapon and materiel systems.

Devolvement

As a part of its realignment of the fiscal year 2004 budget, the Department of Defense devolved responsibility for fifteen RDT&E programs and one procurement program from the Office of the Secretary of Defense to the military departments. Programs totaling $543.0 million were transferred to the military services. The University Research Initiative (URI) was split among the services (Army $72.0 million, Navy $71.0 million, and Air Force $105.0 million). The Army received science and technology programs totaling $115.0 million (URI, Force Health Protection, Defense Experimental Program to Stimulate Competitive Research, Historically Black Colleges and Universities, and Explosive Demilitarization Technology); the Navy received programs totaling $73.0 million (URI and In-House Laboratory Independent Research); and the Air Force received programs totaling $355.3 million (URI, High Energy Laser Program, and High Performance Computer Modernization). In the Department's view devolvement will improve efficiency because it will expedite the flow of funds and improve program execution. Transferring the programs will also permit the Office of the Secretary to achieve internal staff and budget goals. The committee notes, however, that the transfer artificially inflates the fiscal year 2004 science and technology budgets of the military departments compared to fiscal year 2003. The committee plans to monitor closely the execution of the fiscal year 2003 budget for the devolved

programs by the military departments and the oversight provided to the devolved programs by the Director, Defense Research and Engineering.

Navy science and technology program

The budget request provides $1.7 billion for the Navy's science and technology program, $316.0 million less than last year's appropriated level. The amount is 1.5 percent of the total Department of the Navy budget and only half of the Defense Department's goal that the science and technology program represents three percent of total obligation authority. If funding for the Joint Forces Command experimentation program (which is contained in the Navy's science and technology account) and for the University Research Initiative (transferred from the OSD science and technology account in this year's budget request) is deducted, the Navy's core science and technology program is reduced to $1.48 billion, $460.0 million less than last year's appropriated level, 1.3 percent of the total Department of the Navy budget, and the lowest in total and percentage funding of the military departments. The budget request represents the second straight year of a significant reduction in the Navy's science and technology program. The committee is particularly concerned about this trend and its impact on the availability of new technologies that will ensure the superiority of the future Navy and Marine Corps, and directs the Secretary of the Navy to give particular attention to Department of Defense science and technology funding level goals and objectives for the Navy's science and technology program.

Defense Advanced Research Projects Agency

Although the committee is pleased with the overall progress in the defense science and technology program, the committee continues to be disturbed by the continuing growth in the budget of the Defense Advanced Research Projects Agency in comparison to the science and technology accounts of the military departments. Since the beginning of the decade the DARPA budget has increased over 50 percent ($1.0 billion) to a total of $2.9 billion in the fiscal year 2004 budget request. The rate of increase far exceeds the proportionate increase in the science and technology accounts of the military departments. The committee's concern is directed not at the content of the DARPA program, which is at the core of the technological superiority of U.S. armed forces, but at the disproportionate growth in the DARPA budget. The imbalance that growth represents in the distribution of science and technology funds between the defense-wide science and technology accounts and those of the military departments will undoubtedly affect the ability of the military departments to achieve their transformation goals. To address these concerns the committee continues to encourage the establishment of memoranda of agreement and cooperative programs between DARPA and the military departments in support of service transformation goals

Facial recognition access control technology

The budget request contained $60.5 million in PE 63122D8Z for the Combating Terrorism Technology Support program. No funds were requested for the development of facial recognition technology.

The committee notes the surveillance and force protection benefits that would result from the ability to identify an individual in a crowd, who might be a terrorist, by the ability to automatically recognize that individual by comparison of the individual's facial features to data contained in a facial recognition library. The committee notes the progress that has been made in the development of facial recognition technology, but also notes that further work is required in the areas of image quality and automatic recognition performance for the technology to be truly useful.

The committee recommends an increase of $3.0 million in PE 63122D8Z to continue the program for development of facial recognition technology.

Integrated nano- and micro-manufacturing technology

The budget request contained $151.0 million in PE 61101E for Defense Research Sciences.

The committee notes on-going basic research in novel nanotechnologies that, when combined with innovative micromanufacturing materials and processes, could result in the ability to produce microsystems and nanosystems for a broad range of military and civilian applications.

The committee recommends an increase of $2.0 million in PE 61101E to continue basic research in integrated nano- and micromanufacturing technology.

Magnetic Quadrupole Resonance Explosives Detection

The budget request contained $60.5 million in PE 63122D8Z for the Combating Terrorism Technology Support program.

The committee notes the development, demonstration, and employment of scanning explosives detection systems that use nuclear quadrupole resonance technology to detect the presence of explosives in luggage and mail with a greatly enhanced detection probability and reduced false alarm rate.

The committee recommends an increase of $2.0 million in PE 63122D8Z to accelerate the development and evaluation of magnetic quadrupole resonance technology for screening personnel and luggage for the presence of explosives and to extend the applications of the technology to the screening of cargo and vehicles.

Man Portable Air Defense System (MANPADS) Defense Program

The budget request included $25.0 million for the man portable air defense system defense program in PE 64618D8Z. An authorization request in fiscal year 2005 is projected at more than $500 million in research and development and procurement. No DOD validated scope of work exists for the fiscal year 2004 request and the Department was unable to provide any substantive basis for the fiscal year 2005 projected request.

The committee recommends an authorization of $3.0 million for fiscal year 2004, a decrease of $22.0 million.

Medical free electron laser

The budget request contained $9.5 million in PE 62227D8Z for medical free electron laser applied research.

The committee notes that the medical free electron laser program seeks to develop advanced, laser-based applications for military

medicine and related materials research. Because free electron lasers provide unique pulse features and tunable wavelength characteristics that are unavailable in other laser devices, their use broadens the experimental options for the development of new laser-based medical technologies. The program is a merit-based, peer-reviewed, competitively awarded research program, the majority of which is focused on developing advanced procedures for rapid diagnosis and treatment of battlefield related medical problems.

The committee recommends $19.5 million in PE 62227D8Z for medical free electron laser applied research, an increase of $10.0 million.

Multi-wavelength surface scanning biologics sensor

The budget request contained $16.7 million in PE 63714D8Z for the advanced sensor applications program.

The committee notes on-going research in the use of multi-wavelength excitation spectral technology for the detection and identification of biologic agents that are not discernible with conventional sensors and understands that successful demonstration of this technology could provide a significant improvement in the scanning and screening of potentially contaminated locations. Congress added $1.0 million in fiscal year 2003 to continue previously funded work on the technology and support evaluation of a laboratory test bed system with a wide range of simulate and target pathogens and environmental backgrounds.

The committee recommends an increase of $2.0 million in PE 63714D8Z for development of a prototype multi-wavelength surface scanning biologics sensor and evaluate the performance of the prototype under various background conditions.

National Defense University sponsored research program

The budget request contained $30.2 million in PE 65104D8Z for Office of the Secretary of Defense (OSD) technical studies, support, and analysis.

The committee notes that the National Defense University (NDU), supported by funding provided by the Director of Defense Research and Engineering, has established a pilot research and analysis program focused on defense policy issues that have a significant technology component. The objective of this program is to examine the links between technology and national security policy by supporting research at civilian institutions of higher learning and by building relationships between these institutions and NDU. In fiscal year 2002, Congress funded a separate, but related pilot program for NDU to develop a pilot program "to find practical ways in which the defense information technology community can gain a mutual understanding of defense needs and industry capabilities and identify opportunities to integrate information technology innovations into the U.S. military strategy. The results of these programs provides national security policy decision makers with analyses necessary to make informed decisions on policy and the implications of technology on national security. The committee notes with pleasure the results of the programs to date.

The committee recommends $32.2 million in PE 65104D8Z, an increase of $2.0 million to continue National Defense University sponsored research and related programs. The committee encour-

ages the Director of Defense Research and Engineering to provide sustained funding for these programs as an integral part of the OSD technical studies, support, and analysis program.

Nuclear weapons effects

The budget request contained $183.2 million in PE 62716BR for applied research in weapon of mass destruction defeat technology, including $16.6 million for nuclear phenomenology and nuclear weapons effects.

The committee notes that the budget for nuclear weapons effects applied research has declined dramatically since the early 1990's and the decline in the budget has been accompanied by a decline in the capability for and expertise in analysis of nuclear weapons effects. The current program uses a combination of computer analysis, simulation and protection technology to address key issues regarding the survivability of critical U.S. systems in a potential nuclear environment, including missile defense interceptors, satellite electronics, and warfighting command, control, communications and intelligence (C3I) systems and facilities. The committee believes that the United States' nuclear weapons effects analysis capability needs to be revitalized to address emerging 21st Century threats to U.S. territories and interests, such as the potential for terrorist use of radiological dispersion devices (so called "dirty bombs") or crude nuclear weapons in an urban environment; the potential effect of electromagnetic pulse generated by a nuclear weapon on C3I and other electronic systems; and analysis of requirements for defense of critical assets. The committee understands that the Defense Threat Reduction Agency plan has realigned the limited funding available for nuclear weapons effects applied research in fiscal year 2003 and in the fiscal year 2004 budget request and plans to increase funding in the area in the fiscal year 2005 program objective memorandum.

The committee recommends $193.2 million in PE 62716BR, an increase of $10.0 million for nuclear weapons effects applied research.

"PackBot" tactical mobile robot

The budget request contained $13.6 million in PE 64709D8Z for the joint robotics program, but included no funding for the PackBot, Tactical Mobile Robot. The committee is aware that the PackBot robot has proven itself in both by use in disaster and by Army and Special Forces in combat for a variety of purposes. The committee supports further development to refine the PackBot and provide additional sensors based on operational experience, and to rapidly procure 50 PackBots for Army and SOCOM use.

The committee recommends $26.1 million in PE 64709D8Z, an increase of $12.5 million for "PackBot."

Primate biomedical laboratory test and evaluation capability

The budget request contained $162.1 million in PE 63884BP for chemical biological defense, including $68.0 million for medical biological defense and $4.8 million for medical chemical defense.

The medical biological and medical chemical defense programs fund advanced component development and prototyping for vaccines, drugs, and diagnostic medical devices that are directed

against biological warfare agents (including bacteria, viruses, and toxins of biological origin) and countermeasures for chemical agents (including life support equipment, diagnostic equipment, pretreatment and therapeutic drugs, and individual/casualty decontamination compounds). Fielding of vaccines, prophylactics and therapeutic drugs requires Food and Drug Administration approval, supported by multiple long term studies of investigational new drugs that require testing in animal models of successively higher orders (culminating in testing in primates), before testing on human subjects can be conducted and the drug approved for use.

The committee notes that there currently exists a national shortage of primate facilities required to develop realistic animal models for biological threat agents, which have the biocontainment level required for testing of vaccines, drugs, and therapeutics against the biological warfare threat that could be encountered on the battlefield and against the biological agents that could be used in a biological terrorism event.

In view of the increased priority given to the Department of Defense's biological defense program and the time required to establish such a facility under conventional military construction procedures, the committee believes that the Department of Defense should establish in the public sector a strategically located primate laboratory test and evaluation facility that could support medical biological countermeasures research and development and other medical research activities by the U.S. Army Medical Research Institute for Infectious Diseases (USAMRID), and also respond to other Federal needs. The committee anticipates that a cooperative research and development agreement would be established between the facility and USAMRID to guide the research activities of the primate biomedical laboratory. The committee also believes that such a facility could also support other Department of Defense medical research missions, in addition to those included in the chemical and biological defense program.

Accordingly, the committee recommends $177.1 million in PE 63884BP, an increase of $15.0 million to establish a secure, high-containment primate biomedical laboratory for support of Department of Defense chemical-biological defense and medical programs.

Re-defined Assistant Secretary of Defense (Command, Control, Communications and Intelligence) role

The committee is aware that because the Under Secretary of Defense (Intelligence) has been established to manage and oversee intelligence within the Department of Defense, the role of the Assistant Secretary of Defense (Command, Control, Communications and Intelligence) (ASD (C3I)) role is being re-defined.

The committee notes the increasing importance of network centric warfare, and believes that establishing an overarching architecture including space-based, airborne and surface transformational communications is the foundation for future warfare.

The committee strongly encourages the Secretary of Defense to emphasize responsibilities for creating and maintaining the new infrastructure necessary to transform warfare operations when re-defining the role of ASD (C3I). The committee notes the success of the recent campaign based on time-critical strike and notes that despite recent successes, results of lessons that can be learned

should be included in the transformation communication system architecture.

Special Operations Advanced Technology Development

The budget request contained $67.0 million for special operations advanced technology development, but included no funding for the multi-band multi-mission radio and no funding for the special operations medical diagnostic system. The radio, which will be the primary mission radio for special operations forces tactical units, reduces the communications gear requirement for forward operating units by replacing multiple manpack radios. The committee believes that the multi-band multi-mission radio will substantially increase special forces small unit communications capability and should receive continued funding. Similarly, the special operations forces medical diagnostic system shows great promise in quickly diagnosing medical emergencies for deployed troops. The recommended funding will enable the Special Operations Command to further refine the operational requirements for this system.

The committee recommends $78.5 million in PE 1160402BB, an increase of $10.0 million for the multi-band multi-mission radio and an increase of $1.5 million for the medical diagnostic system.

Support to homeland security

The budget contained $476.7 million in PE 33140G for the information security systems program (ISSP), but included no funds for support to the Department of Homeland Security.

The committee is aware that according to National Security Policy 42, the National Security Agency (NSA) is the executive agent for information assurance services and products to the federal government. The committee recognizes that providing a secure infrastructure outside the federal government was not a great concern until the events of September 11, 2001, demonstrated that a secure infrastructure between federal and local officials (first responders-including law enforcement, medical, rescue) is necessary to provide the free exchange of communications to help in preventing future terrorist activities. The committee notes that National Security Agency requires additional personnel and funding to develop an appropriate secure infrastructure for homeland defense.

The committee encourages the Secretary of Defense and the Director of Central Intelligence to work with the Secretary of Homeland Security to provide NSA the resources to develop a crypto product line to support homeland security.

Technology development

The budget request contained $249.2 million in PE 35191D8Z for technology development for classified projects.

The committee believes that funding is in excess of requirements. Further details are in the classified annex to this report.

The committee recommends $226.7 million in PE 35191D8Z for technology development, a decrease of $22.5 million for technology development.

Unmanned aerial vehicle acquisition management

The committee has reviewed the Department of Defense (DOD) unmanned aerial vehicle (UAV) roadmap and sees significant

progress since the previous version. However, a recent committee hearing disclosed that within the office of the Under Secretary of Defense (Acquisition and Technology), the Director, Unmanned Aerial Vehicles has not been given sufficient authority to ensure that the military services comply with the provisions approved UAV roadmap.

The committee believes that having a good UAV roadmap is essential to most effectively fielding complementary, non-redundant, fully jointly interoperable UAV capabilities and that the Secretary of Defense should ensure that only approved UAV systems are acquired.

OPERATIONAL TEST AND EVALUATION, DEFENSE

Overview

The budget request contained $286.7 million for Operational Test and Evaluation, Defense.

The committee recommends $286.7 million, no change to the budget request.

Title II - RESEARCH, DEVELOPMENT, TEST AND EVALUATION
(Dollars in Thousands)

Program Element Number	R-1 Line	PROGRAM TITLE	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
		OPERATIONAL TEST & EVAL, DEFENSE					
0603941D8Z	1	Test & Evaluation Science & Technology	12,804				12,804
0604940D8Z	2	Central Test and Evaluation Investment Development (CTEIP)	123,215				123,215
0605118D8Z	3	Operational Test and Evaluation	37,323				37,323
0605131D8Z	4	Live Fire Testing	10,074				10,074
0605804D8Z	5	Development Test and Evaluation	103,245				103,245
		TOTAL, OPERATIONAL TEST & EVAL, DEFENSE	**286,661**	**0**	**0**	**0**	**286,661**

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Section 201—Authorization of Appropriations

This section would establish the amounts authorized to be appropriated for Research, Development, Test, and Evaluation for the Department of Defense for fiscal year 2004.

Section 202—Amount for Defense Science and Technology

This section would establish the amounts authorized to be appropriated for Defense Science and Technology, including basic research, applied research, and advanced technology development for fiscal year 2004.

SUBTITLE B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Section 211—Collaborative Program for Development of Electromagnetic Gun Technology

This section would require the Secretary of Defense to establish and carry out a collaborative program among the Department of the Army, the Department of the Navy, and the Defense Advanced Research Projects Agency for evaluation and demonstration of advanced technologies and concepts for advanced gun systems that use electromagnetic propulsion for direct and indirect fire applications.

For the past 20 years, the Department of Defense (principally the Army) has been conducting research and developing technology for the use of electromagnetic propulsion in advanced gun systems that would capitalize on the significantly higher velocity, longer range, greater lethality, and reduced ammunition weight and volume that would be achievable with such guns compared to those that use conventional explosive charges. Once proven, electromagnetic guns (EMG) could provide multi-role, survivable weapon systems capable of growing to meet a range of future threats in line-of-sight (direct fire) and non-line-of-sight and beyond-line-of-sight (indirect fire) applications. Recently, the Navy has also developed linear electric motor (rail gun) technologies for advanced catapult systems for new aircraft carriers.

The committee is aware of Army interest in developing EMG technology for the Future Combat System, in the Marine Corps for using EMG technology to increase the lethality of its legacy M1A1 120mm gun tank, and in the Navy for very long-range ship-to-shore fire support from an EMG on an all-electric ship.

The committee notes the results of a recent independent review team's technical assessment on the Army's EMG program which concluded that the major Army investment in electromagnetic launchers, projectiles, pulsed power supplies, and other EMG technologies are showing significant and noteworthy progress. Much of the enabling technology has reached a technology maturity or readiness level (TRL) of 3 to 4 (A TRL of 6 is the maturity level generally regarded as necessary for initiation of a system development program that should result in a successful acquisition program.)

The assessment team concluded that continued work is needed to mature EMG technology and to establish the viability of EMG technology for potential military applications, including ground combat vehicle main armament, air defense, long-range ship-to-shore fire support, and precision air-to-ground standoff weapons. The team recommended stable program funding and a continuing research and development program that would support initiation of a full-scale advanced technology demonstration in the fiscal year 2006 time-frame, leading to a Milestone B acquisition decision in fiscal year 2011.

The committee further notes that the justification books submitted with the budget request indicate a Department of the Army investment in its EMG program of $127.9 million through fiscal year 2009 and a Department of the Navy investment of $ $85.6 million. The Army's fiscal year 2004 budget includes $31.0 million for EMG technology research and development. No funds were requested for the Navy's program in fiscal year 2004. Elsewhere in this report, the committee has recommended an increase of $7.6 million for the Navy program and an increase of $2.1 million in the Army program.

In view of the interest of the Army, the Navy, and the Marine Corps in the development and application of EMG technology, the committee believes that a collaborative program should be established among the military departments and the Defense Advanced Research Projects Agency for the development of common enabling technologies and their exploitation to meet service operational requirements. The committee believes that such a program should build upon military service and agency strengths with DARPA taking on those high risk/high payoff technologies such as advanced projectiles and projectile guidance and control and each military department taking the lead in those areas for which they have the most experience and/or expertise. The committee also believes that industry could and should play a significant role in the program. The committee expects that each military department would define and execute its own focused maturation and demonstration program, incorporating the products of the most promising common technology maturation efforts.

Section 212—Authority to Select Civilian Employees of Department of Defense as Director of Department of Defense Test Resource Management Center

This section would amend section 196(b)(1) of title 10, United States Code (section 231 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, Public Law 107–314) to provide that, in addition to a commissioned officer of the armed forces serving on active duty, the Secretary of Defense may also consider for possible selection as Director of the Department of Defense Test Resource Center a senior civilian official or employees of the Department of Defense who have substantial experience in the field of test and evaluation. The committee believes that limiting the selection of the Director to active duty commissioned officers is unduly restrictive and does not make use of the test and evaluation experience that is also available among the Department's senior civilian officials or employees.

Section 213—Joint Tactical Radio System

This section would establish an independent joint tactical radio system (JTRS) joint program office (JPO) under rotating military service leadership. It would also centralize program funding and place all JTRS cluster development under JPO control. In addition, the JPO would ensure a joint JTRS concept of operations.

Section 214—Future Combat Systems

This section would require the budget request for projects within the Armored Systems Modernization Program within the Department of the Army to be displayed in separate program elements. Further, this section would preclude authorization of appropriations until the Secretary of Defense provides to the congressional defense committees more detailed justification for the $1.7 billion program.

Section 215—Army Program to Pursue Technologies Leading to the Enhanced Production of Titanium by the United States

This section would require the Secretary of Defense to assess promising technologies leading to the enhanced production of titanium by the United States and select on a competitive basis the most viable technologies. The Secretary of the Army would be required to serve as the executive agent in this effort.

The budget request contained $39.5 million for weapons and munitions technologies in PE 62624A for improved weapon and munitions technologies to enable combat superiority for the objective force, but no funds were included to enhance U.S. industrial capabilities to produce low cost titanium alloys.

The titanium extraction mining and process engineering research (TEMPER) initiative is intended to enhance U.S. industrial capabilities for the efficient production of inexpensive titanium for systems designed as part of the Army's Objective Force.

The committee is aware that light weight materials used to increase survivability and reduce system weight are expensive to produce. The committee notes that new production methods have become available within industry and recommends that the Secretary of Defense develop an integrated plan to improve related technologies in a centralized manner.

The committee recommends $47.5 million in PE 62624A, an increase of $8.0 million for the Secretary of the Army to lead an effort to assess and select the most viable methods to produce titanium through the TEMPER initiative.

Section 216—Extension of Reporting Requirement for RAH–66 Comanche Aircraft Program

This section would extend the requirement for the Secretary of the Army to provide a quarterly report through fiscal year 2004 to the Committees on Armed Services of the Senate and the House of Representatives regarding the progress of the restructured RAH–66 Comanche aircraft program.

Section 217—Future Fleet Architecture Studies

Although total Navy capability is increasingly a product of sensors and networking technology rather than individual platforms, the Navy at its most fundamental level, will continue to be built around ships of various kinds and sizes, along with its supporting aircraft. For example, the Navy force structure set forth in the 2001 Quadrennial Defense Review can be defined as one built around 12 large-deck aircraft carriers of approximately 100,000 tons displacement each, 116 major surface combatants displacing 4,000 to 9,500 tons each, 55 nuclear-powered attack submarines and 36 amphibious support ships organized into 12 amphibious ready groups with a combined lift capability of 2.5 Marine Expeditionary Brigades. Together with associated mine warfare, combat logistics and support ships, this force structure would total about 310 ships. Additionally, this force structure includes 11 carrier air wings, additional surface-combatant-based helicopters, and land-based maritime patrol aircraft.

This basic combination of ships and aircraft represents the Navy's platform architecture. Given the long lead times needed to design and build ships and aircraft, their long operational life cycles, and the relatively low annual rates (relative to the existing inventory) at which new ships and aircraft can be procured, the Navy's overall platform architecture tends to evolve gradually over time.

The committee is concerned that the Navy's current vision of its future platform architecture may be, to a great extent, determined by inertia and momentum. As an example, the committee understands that the decision on establishment of the Littoral Combat Ship (LCS) program was made prior to an analysis of alternatives for the mission. The committee believes that new technologies and operational concepts, including network-centric operations, and emerging threats, including asymmetric threats, could result in a Navy platform architecture that is significantly different than envisioned today. The committee is also concerned that the Navy, while considering emerging threats, evolving technologies, and new operational concepts, in determining its future platform architecture, may be too tradition-bound and thereby limit the opportunities available to leverage technologies and operational concepts.

While the fiscal year 2004 future years defense plan assumes operational concepts and associated hardware that represent departures in some respects from today's architecture, the committee is concerned that in other respects, the Navy's current planning for the future may be excessively bounded by the features of its current platform architecture. The committee is also concerned that, as a result, the Navy's future overall platform architecture may turn out in many respects to be too much of a linear descendent of today's architecture. While such a fleet would no doubt be more capable than today's fleet, it may not be the most capable fleet that could be produced for a given level of resources, or the most appropriate fleet for addressing tomorrow's threats.

Numerous proposals have been put forth in recent years, including sea-based platforms of sizes and kinds that are significantly different from those that make up today's overall fleet platform architecture. These include, to name only a few examples, small sur-

face combatants and aircraft carriers; UAV/UCAV carriers; high speed surface combatants and amphibious ships; ships that combine the features of today's surface combatants and amphibious ships; and mobile sea bases based on oil platform technology. Proposals like these, if pursued, could lead to a wide variety of potential future overall fleet platform architectures. The committee is concerned that the Navy has not sufficiently explored the universe of possibilities for what this architecture might look like, and thus cannot speak to Congress about them in sufficient detail. The committee is also concerned that no one entity, either inside or outside the Navy, is necessarily best positioned to know which alternative architecture might be the most promising, and that the understanding of the issue would benefit from a variety of informed views.

Accordingly, the committee has recommended a provision (section 215) directing the Secretary of Defense to commission a collection of eight independent studies on future overall fleet platform architectures. Each study would be funded at a cost of up to $200,000, and be completed in both classified and unclassified versions, as required.

Four of the studies would be performed by qualified analytical organizations external to the Navy, such as the RAND Corporation, the Institute for Defense Analysis, the Johns Hopkins University Applied Physics Laboratory, and the Center for Strategic and Budgetary Analysis. One of the studies would be done by an in-house Navy organization, such as the Ship & Force Architecture Concepts program office within the Naval Sea Systems Command. And three of the studies would be done by defense firms or teams of defense firms, so as to take advantage of the knowledge and creativity in the private sector.

The study efforts shall be "fire walled" from one another to ensure eight independent analyses. In performing the studies, participants would take into account the National Security Strategy of the United States, potential future threats to the United States and to U.S. Naval forces, the traditional roles and missions of the U.S. Naval forces, alternative roles and missions, and the role of evolving technology on future naval forces. Participants, while cognizant of today's overall fleet platform architecture, would not let the current features of the architecture constrain in any way their analysis. The goal is to achieve a "clean sheet" vision of potential platform architectures for the future—to provide possible answers to the question: What would the ideal Navy of the future look like in terms of overall fleet platform architecture if we didn't have to bound our thinking by the features of today's architecture?

Each of the eight studies would present one or two possible overall platform architectures, which shall be described in terms of the numbers, kinds, and sizes of ships involved, numbers and types of associated manned and unmanned platforms, and the basic capabilities of these ships and platforms. The studies shall also include other top-level information needed to understand the architecture in basic form, and the analysis that led to the architecture.

SUBTITLE C—BALLISTIC MISSILE DEFENSE

Section 221—Ballistic Missile Defense System

This section would amend subsection (a) of section 223 of title 10, United States Code to allow the President flexibility in designating program elements for the Missile Defense Agency. The section would make conforming changes, including those to related reporting requirements, and other technical amendments.

TITLE III—OPERATION AND MAINTENANCE

READINESS OVERVIEW

The fiscal year 2004 budget request for operation and maintenance of $117.0 billion represents an overall increase across the Department of Defense of $1.4 billion (1.3 percent) over spending levels authorized and appropriated for fiscal year 2003. Of the $117.0 billion request, $3.4 billion is attributable to price increases for general and fuel inflation, civilian pay raises, depot maintenance rates, contracts, and working capital fund activities to name only a few. In short, these price increases directly relate to maintaining the same level of effort from fiscal year 2003. The committee is concerned that these price increases, some as high as 18 percent, are eroding the ability of the services to fund their core readiness programs. The budget request lists a total of $1.9 billion in program reductions from fiscal year 2003. Accordingly, while the increase in funding for readiness accounts is $1.4 billion, that increase does not compensate the price growth. In fact, some important readiness programs have had programmatic reductions just to fund these pricing increases. In summary, the overall level of funding for operation and maintenance in the budget, existing operational tempo, and the chiefs of the military departments' unfunded requirements for fiscal year 2004, indicates that the services' readiness will be adversely affected as they attempt to reconstitute the force following recent contingencies.

The Department's budget request is a peacetime budget that takes substantial risk in the operation and maintenance arena. This risk will become most evident as military forces returning from wartime operations are faced with significant challenges in Navy shipyard capacity, Army spare parts availability, and Air Force and Marine Corps depot funding limitations. In this budget important areas including facility sustainment, renovation and modernization, depot maintenance programs, and repair parts continue to be funded at levels that will make it difficult to sustain readiness in the services in the short and long term. Also, in hearings held this year to review the state of military readiness, testimony was received that strongly suggests that the aging weapons systems across the services and the funding necessary to sustain these systems has not been fully recognized in recent budget requests. Frequent and lengthy deployments associated with the current operational tempo have exacerbated the impact of under-funding on readiness for over a decade. The likelihood of future continued deployment requirements, coupled with large post-war ship and aircraft maintenance workload, portends greater readiness risk

than the Department has acknowledged or accommodated in the fiscal year 2004 budget request.

As an example of this risk, the Department's budget request for the Army places execution of the tank miles goal in jeopardy due to under-funding for consumable repair parts by $156 million. Also, Army aviation is unable to execute 14.5 hours per crew, per month due to grounded aircraft and spare parts shortages. More broadly, the Army's management and funding of spare parts is an example of a decade of neglect that has created an urgent requirement to replenish these stocks. A more prudent approach toward resolving the parts shortages would be a long-term, disciplined approach that includes routinely adequate funding, rather than a $1.5 billion, two-year remedy. The committee notes the Army's current effort to address the repair parts shortage but cautions that consistent funding, rather than precipitous funding changes and poorly implemented policy changes, are more likely to produce the desired return on investment.

The budget request for the Navy is lower than the Navy's own required estimate by nearly $1.0 billion. In the first quarter of fiscal year 2003 the Navy exceeded its 54.0 steaming days per quarter funding level by nearly 10 days. By the end of the current year that average is expected to climb even further due to the midyear deployment of 207 of the Navy's 306 ships. This level of operational tempo adds to the maintenance challenges associated with many depot availability deferments. The Navy also faces readiness challenges due to the length and frequency of deployments, the modest size of the 306 ship fleet relative to global security requirements, the age of many of its aircraft, and the disruption of the planned maintenance schedule for ships and aircraft. The surge in operations in fiscal year 2003 can be expected to generate a large post-surge ship and aircraft workload. Despite this fact, however, the Navy has reduced its shipyard depot maintenance accounts by $600.0 million in fiscal 2004 while increasing funding for the Navy flying hour program by only $115.0 million over fiscal year 2003 levels, principally for spare parts rather than flying hours. Clearly, the Navy has under-resourced its actual requirements in view of current and projected operational tempo.

Over the last decade, readiness rates for Air Force major combat units have dropped from an average of 91 percent to a low of 65 percent. While readiness rates have since climbed to an average of 70 percent, the committee heard testimony that increased spare parts funding, fleet modernization and process improvements were necessary to achieve even this modest improvement. Although the achievement of more appropriate readiness rates will take even higher levels of resources, the Air Force has significantly under-funded depot maintenance accounts, and has identified $516.0 million for its depots as its number one unfunded requirement.

The Marine Corps' budget request for fiscal year 2004 would fund only 67 percent of depot maintenance requirements. Even a critical requirement such as initial issue equipment has been identified by the Marine Corps as a high priority unfunded requirement.

Adequate resourcing of the Department's training infrastructure continues to lag behind requirements in the fiscal year 2004 budget request. While the results of such under-funding may not become

fully apparent for some time, the erosion of infrastructure undermines the quality of training and degrades mission performance and readiness. The Department's $179.9 million investment the Joint National Training Center and training transformation may provide innovative training opportunities, including more joint inter-service training, and address some infrastructure and instrumentation limitations by leveraging training resources. However, existing training facilities across the Department are not adequately resourced in this budget request.

A final area of note continues to be encroachment of training areas and ranges of the Department caused by environmental restrictions. While the Department has sought to work within the existing restrictions, there is a steady detriment in the quality and realism of many training activities. In some cases, training activities are curtailed, rescheduled or cancelled due to environmental issues, with considerable fiscal and readiness impacts. The Department and the services have done much to bring attention to the scope of the problem. The committee will continue to examine encroachment concerns and will make further adjustments to provide the Department and the services relief, as warranted.

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Department of the Army					
OPERATION AND MAINTENANCE, ARMY	24,965,342	85,245	489,750	(404,505)	25,050,587
OPERATION AND MAINTENANCE, ARMY RESERVE	1,952,009	2,000	2,000	0	1,954,009
OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD	4,211,331	(17,000)	23,000	(40,000)	4,194,331
Total Department of the Army	**31,128,682**	**70,245**	**514,750**	**(444,505)**	**31,198,927**
Department of the Navy					
OPERATION AND MAINTENANCE, NAVY	28,287,690	(385,900)	249,500	(635,400)	27,901,790
OPERATION AND MAINTENANCE, MARINE CORPS	3,406,656	111,100	111,100	0	3,517,756
OPERATION AND MAINTENANCE, NAVY RESERVE	1,171,921	0	0	0	1,171,921
OPERATION AND MAINTENANCE, MARINE CORPS RESERVE	173,952	25,500	25,500	0	199,452
PAYMENT TO KAHO'OLAWE ISLAND	0	0	0	0	0
Total Department of the Navy	**33,040,219**	**(249,300)**	**386,100**	**(635,400)**	**32,790,919**
Department of the Air Force					
OPERATION AND MAINTENANCE, AIR FORCE	27,793,931	(2,359,471)	419,666	(2,779,137)	25,434,460
OPERATION AND MAINTENANCE, AIR FORCE RESERVE	2,179,188	(9,000)	0	(9,000)	2,170,188
OPERATION AND MAINTENANCE, AIR NATIONAL GUARD	4,402,646	2,000	2,000	0	4,404,646
Total Department of the Air Force	**34,375,765**	**(2,366,471)**	**421,666**	**(2,788,137)**	**32,009,294**
Defense-Wide					
OPERATION AND MAINTENANCE, DEFENSE-WIDE	**16,570,847**	**(436,800)**	**57,300**	**(494,100)**	**16,134,047**
Transfer Accounts and Miscellaneous					
TRANSFER ACCOUNTS	1,323,178	50,000	100,000	(50,000)	1,373,178
MISCELLANEOUS	520,133	0	0	0	520,133
Total Miscellaneous	**1,843,311**	**50,000**	**100,000**	**(50,000)**	**1,893,311**
TOTAL OPERATION AND MAINTENANCE TITLE:	**116,958,824**	**(2,932,326)**	**1,479,816**	**(4,412,142)**	**114,026,498**

OTHER PROGRAMS AND REVOLVING AND MANAGEMENT FUNDS

(Dollars in Thousands)

	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
OTHER PROGRAMS (Formerly in the O&M Title)					
Defense Health Program, O&M	14,876,887	46,554	53,150	(6,596)	14,923,441
Restore Assumed Savings		45,000	45,000		
Marshall Island Diabetes Program		2,000	2,000		
Army Choices Program		150	150		
Accelerate Active Duty Chiropratic Care Program		6,000	6,000		
South West Asia Contingency Operations		(6,596)		(6,596)	
Defense Health Program, R&D	65,796	0			65,796
Defense Health Program, Procurement	327,826	0			327,826
Subtotal Defense Health Program	**15,270,509**	**46,554**	**53,150**	**(6,596)**	**15,317,063**
Chemical Agents and Munitions Destruction, O&M	1,199,168	50,000	50,000		1,249,168
Chemical Agents and Munitions Destruction, RDTE	251,881	0			251,881
Chemical Agents and Munitions Destruction, Construction	119,815	(119,815)		(119,815)	0
Chemical Agents and Munitions Destruction, Procurement	79,212	0			79,212
Subtotal Chemical Agents and Munitions Destruction	**1,650,076**	(69,815)	50,000	(119,815)	**1,580,261**
Drug Interdiction and Counter-Drug Activities	817,371	0			817,371
Office of the Inspector General	162,449	0			162,449
Total Other Programs	**17,900,405**	**(23,261)**	**103,150**	**(126,411)**	**17,877,144**
Revolving and Management Funds					
Defense Working Capital Funds	632,261	0			632,261
Defense Working Capital Funds - DeCA	1,089,246	0			1,089,246
National Defense Sealift Fund	1,062,762	40,000	40,000		1,102,762
Armed Forces Retirement Home	65,279	0			65,279
Other	45,000	(45,000)		(45,000)	0
Total	**2,894,548**	**(5,000)**	**40,000**	**(45,000)**	**2,889,548**

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Operation and Maintenance, Army					
BUDGET ACTIVITY 01: OPERATING FORCES					
LAND FORCES	**3,915,023**	**256,800**	**327,250**	**(70,450)**	**4,171,823**
DIVISIONS	1,506,922	323,250			1,830,172
Consumable Parts			90,000		
Hydration on the Move (Camelbak)			2,000		
Depot Maintenance			231,250		
CORPS COMBAT FORCES	478,563				478,563
CORPS SUPPORT FORCES	383,755				383,755
ECHELON ABOVE CORPS SUPPORT FORCES	467,026				467,026
LAND FORCES OPERATIONS SUPPORT	1,078,757	(66,450)			1,012,307
Fuel Reduction				(20,450)	
Working Capital Fund Cash Reduction				(50,000)	
Controlled Humidity Preservation (CHP) Program			4,000		
LAND FORCES READINESS	**3,065,299**	**0**	**0**	**0**	**3,065,299**
FORCE READINESS OPERATIONS SUPPORT	1,568,900				1,568,900
LAND FORCES SYSTEMS READINESS	488,918				488,918
LAND FORCES DEPOT MAINTENANCE	1,007,481				1,007,481
LAND FORCES READINESS SUPPORT	**5,636,789**	**(200,400)**	**0**	**(200,400)**	**5,436,389**
BASE OPERATIONS SUPPORT	2,651,539				2,651,539
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,094,309				1,094,309
MANAGEMENT & OPERATIONAL HEADQUARTERS	243,033				243,033
UNIFIED COMMANDS	85,115				85,115
MISCELLANEOUS ACTIVITIES	1,562,793	(200,400)			1,362,393
Contingency Operations, Southwest Asia				(200,400)	

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
TOTAL, BA 01:OPERATING FORCES	**12,617,111**	**56,400**	**327,250**	**(270,850)**	**12,673,511**
BUDGET ACTIVITY 02: MOBILIZATION					
MOBILITY OPERATIONS	**538,846**	**0**	**0**	**0**	**538,846**
STRATEGIC MOBILIZATION	378,432				378,432
ARMY PREPOSITIONED STOCKS	145,728				145,728
INDUSTRIAL PREPAREDNESS	7,753				7,753
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	6,933				6,933
TOTAL, BA 02:MOBILIZATION	**538,846**	**0**	**0**	**0**	**538,846**
BUDGET ACTIVITY 03: TRAINING AND RECRUITING					
ACCESSION TRAINING	**507,406**	**0**	**0**	**0**	**507,406**
OFFICER ACQUISITION	89,853				89,853
RECRUIT TRAINING	22,977				22,977
ONE STATION UNIT TRAINING	39,106				39,106
SENIOR RESERVE OFFICERS' TRAINING CORPS	214,264				214,264
BASE OPERATIONS SUPPORT	80,110				80,110
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	61,096				61,096

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
BASIC SKILL/ ADVANCE TRAINING	**2,638,407**	**154,500**	**154,500**	**0**	**2,792,907**
SPECIALIZED SKILL TRAINING	306,272	6,500			312,772
U.S. Army Engineer School			4,000		
Army Defense Language Institute			2,500		
FLIGHT TRAINING	499,040	148,000			647,040
Flight School XXI			148,000		
PROFESSIONAL DEVELOPMENT EDUCATION	142,038				142,038
TRAINING SUPPORT	478,903				478,903
BASE OPERATIONS SUPPORT	819,604				819,604
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	392,550				392,550
RECRUITING/OTHER TRAINING	**1,238,822**	**0**	**0**	**0**	**1,238,822**
RECRUITING AND ADVERTISING	468,035				468,035
EXAMINING	83,269				83,269
OFF-DUTY AND VOLUNTARY EDUCATION	226,011				226,011
CIVILIAN EDUCATION AND TRAINING	92,536				92,536
JUNIOR RESERVE OFFICERS' TRAINING CORPS	129,978				129,978
BASE OPERATIONS SUPPORT	238,993				238,993
TOTAL, BA 03:TRAINING AND RECRUITING	**4,384,635**	**154,500**	**154,500**	**0**	**4,539,135**
BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
SECURITY PROGRAMS	**591,622**	**0**	**0**	**0**	**591,622**
SECURITY PROGRAMS	591,622				591,622
LOGISTICS OPERATIONS	**2,542,275**	**4,000**	**4,000**	**0**	**2,546,275**
SERVICEWIDE TRANSPORTATION	661,551	4,000			665,551

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Military Vehicle Tires			2,000		
Military Vehicle Batteries			2,000		
CENTRAL SUPPLY ACTIVITIES	491,835				491,835
LOGISTICS SUPPORT ACTIVITIES	1,058,760				1,058,760
AMMUNITION MANAGEMENT	330,129				330,129
SERVICEWIDE SUPPORT	**4,024,999**	**(61,655)**	**4,000**	**(65,655)**	**3,963,344**
ADMINISTRATION	664,135	3,000			667,135
Red Cross Notification Grant			3,000		
SERVICEWIDE COMMUNICATIONS	623,102				623,102
MANPOWER MANAGEMENT	210,202				210,202
OTHER PERSONNEL SUPPORT	198,716	1,000			199,716
Center for Military History - Vietnam Historical Perspectives			1,000		
OTHER SERVICE SUPPORT	707,558				707,558
ARMY CLAIMS	116,691				116,691
REAL ESTATE MANAGEMENT	50,173				50,173
BASE OPERATIONS SUPPORT	1,194,134				1,194,134
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	260,288				260,288
COMMISSARY OPERATIONS	0				0
Other Support Services		(7,119)		(7,119)	(7,119)
Administration		(7,936)		(7,936)	(7,936)
Civilian Personnel Underexecution		(26,600)		(26,600)	(26,600)
Army Knowledge Management		(24,000)		(24,000)	(24,000)
SUPPORT OF OTHER NATIONS	**265,854**	**0**	**0**	**0**	**265,854**
INTERNATIONAL MILITARY HEADQUARTERS	207,125				207,125
MISC. SUPPORT OF OTHER NATIONS	58,729				58,729
EXPANSION OF NATO	0				0

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Information Technology Reduction		(68,000)		(68,000)	(68,000)
TOTAL, BA 04:ADMINISTRATION & SERVICEWIDE ACTIVITIES	**7,424,750**	**(125,655)**	**8,000**	**(133,655)**	**7,299,095**
Total Operation and Maintenance, Army	**24,965,342**	**85,245**	**489,750**	**(404,505)**	**25,050,587**
Operation and Maintenance, Navy					
BUDGET ACTIVITY 01: OPERATING FORCES					
AIR OPERATIONS	**5,498,214**	**(32,300)**	**172,500**	**(204,800)**	**5,465,914**
MISSION AND OTHER FLIGHT OPERATIONS	3,262,507	172,500			3,435,007
Flight Operations			172,500		
FLEET AIR TRAINING	1,025,326				1,025,326
INTERMEDIATE MAINTENANCE	73,961				73,961
AIR OPERATIONS AND SAFETY SUPPORT	105,559				105,559
AIRCRAFT DEPOT MAINTENANCE	980,136				980,136
AIRCRAFT DEPOT OPERATIONS SUPPORT	50,725				50,725
Fuel		(122,700)		(122,700)	(122,700)
Contingency Operations, Southwest Asia		(76,100)		(76,100)	(76,100)
NMCI		(6,000)		(6,000)	(6,000)
SHIP OPERATIONS	**7,755,262**	**30,000**	**76,000**	**(46,000)**	**7,785,262**
MISSION AND OTHER SHIP OPERATIONS	2,485,605				2,485,605
SHIP OPERATIONAL SUPPORT AND TRAINING	614,525				614,525
INTERMEDIATE MAINTENANCE /1	0				0
SHIP DEPOT MAINTENANCE /1	3,567,545	76,000			3,643,545

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Depot Maintenance - LHA midlife and AOE-1 sustainment			76,000		
SHIP DEPOT OPERATIONS SUPPORT	1,087,587				1,087,587
NMCI		(46,000)		(46,000)	(46,000)
COMBAT OPERATIONS/SUPPORT	**2,071,893**	**0**	**0**	**0**	**2,071,893**
COMBAT COMMUNICATIONS	377,493				377,493
ELECTRONIC WARFARE	15,574				15,574
SPACE SYSTEMS & SURVEILLANCE	125,107				125,107
WARFARE TACTICS	235,237				235,237
OPERATIONAL METEOROLOGY & OCEANOGRAPHY	257,475				257,475
COMBAT SUPPORT FORCES	892,241				892,241
EQUIPMENT MAINTENANCE	166,033				166,033
DEPOT OPERATIONS SUPPORT	2,733				2,733
WEAPONS SUPPORT	**1,468,031**	**0**	**0**	**0**	**1,468,031**
CRUISE MISSILE	151,456				151,456
FLEET BALLISTIC MISSILE	806,058				806,058
IN-SERVICE WEAPONS SYSTEMS SUPPORT	44,092				44,092
WEAPONS MAINTENANCE	466,425				466,425
					0
WORKING CAPITAL FUND SUPPORT	**(447,755)**	**0**	**0**	**0**	**(447,755)**
NWCF SUPPORT /2	(447,755)				(447,755)
BASE SUPPORT	**3,689,057**	**(25,000)**	**0**	**(25,000)**	**3,664,057**
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,079,723				1,079,723
BASE OPERATIONS SUPPORT	2,609,334				2,609,334
NMCI		(25,000)		(25,000)	(25,000)

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
TOTAL, BA 01:OPERATING FORCES	**20,034,702**	**(27,300)**	**248,500**	**(275,800)**	**20,007,402**
BUDGET ACTIVITY 02: MOBILIZATION					
READY RESERVE AND PREPOSITIONING FORCES	**506,690**	**0**	**0**	**0**	**506,690**
SHIP PREPOSITIONING AND SURGE	506,690				506,690
ACTIVATIONS/INACTIVATIONS	**175,344**	**0**	**0**	**0**	**175,344**
AIRCRAFT ACTIVATIONS/INACTIVATIONS	8,217				8,217
SHIP ACTIVATIONS/INACTIVATIONS	167,127				167,127
MOBILIZATION PREPAREDNESS	**45,200**	**0**	**0**	**0**	**45,200**
FLEET HOSPITAL PROGRAM	25,361				25,361
INDUSTRIAL READINESS	1,702				1,702
COAST GUARD SUPPORT	18,137				18,137
TOTAL, BA 02:MOBILIZATION	**727,234**	**0**	**0**	**0**	**727,234**
BUDGET ACTIVITY 03: TRAINING AND RECRUITING					
ACCESSION TRAINING	**216,503**	**0**	**0**	**0**	**216,503**
OFFICER ACQUISITION	116,022				116,022
RECRUIT TRAINING	8,693				8,693
RESERVE OFFICERS TRAINING CORPS	91,788				91,788
BASIC SKILLS AND ADVANCED TRAINING	**1,218,965**	**(15,000)**	**0**	**(15,000)**	**1,203,965**
SPECIALIZED SKILL TRAINING	363,006				363,006
FLIGHT TRAINING	441,982				441,982

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
PROFESSIONAL DEVELOPMENT EDUCATION	113,134				113,134
TRAINING SUPPORT	300,843	(15,000)		(15,000)	285,843
RECRUITING, AND OTHER TRAINING AND EDUCATION	**461,353**	**1,000**	**1,000**	**0**	**462,353**
RECRUITING AND ADVERTISING	251,507	1,000			252,507
Naval Sea Cadets Corps			1,000		
OFF-DUTY AND VOLUNTARY EDUCATION	98,885				98,885
CIVILIAN EDUCATION AND TRAINING	70,628				70,628
JUNIOR ROTC	40,333				40,333
BASE SUPPORT	**575,370**	**0**	**0**	**0**	**575,370**
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	201,993				201,993
BASE OPERATIONS SUPPORT	373,377				373,377
TOTAL, BA 03:TRAINING AND RECRUITING	**2,472,191**	**(14,000)**	**1,000**	**(15,000)**	**2,458,191**
BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
SERVICEWIDE SUPPORT	**1,873,323**	**(127,600)**	**0**	**(127,600)**	**1,745,723**
ADMINISTRATION	698,422	(10,000)		(10,000)	688,422
EXTERNAL RELATIONS	4,026				4,026
CIVILIAN MANPOWER & PERSONNEL MGT	104,963				104,963
MILITARY MANPOWER & PERSONNEL MGT	221,170	(41,600)			179,570
Navy Personnel, Navy Military Personnel System				(4,300)	
Navy Reserve Integrated Management				(2,300)	
Navy Military Personnel Distribution System				(5,000)	
Other Navy Military Manpower/Personnel				(30,000)	
OTHER PERSONNEL SUPPORT	212,060				212,060

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
SERVICEWIDE COMMUNICATIONS	632,682				632,682
MEDICAL ACTIVITIES	0				0
NMCI		(76,000)		(76,000)	(76,000)
LOGISTICS OPERATIONS AND TECHNICAL SUPPORT	**2,016,737**	**(17,000)**	**0**	**(17,000)**	**1,999,737**
SERVICEWIDE TRANSPORTATION	193,045				193,045
ENVIRONMENTAL PROGRAMS	0				0
PLANNING, ENGINEERING & DESIGN	301,365	(10,000)		(10,000)	291,365
ACQUISITION AND PROGRAM MANAGEMENT	905,432				905,432
AIR SYSTEMS SUPPORT	447,639				447,639
HULL, MECHANICAL & ELECTRICAL SUPPORT	62,927				62,927
COMBAT/WEAPONS SYSTEMS	40,093				40,093
SPACE & ELECTRONIC WARFARE SYSTEMS	66,236				66,236
COMMISSARY OPERATIONS	0				0
NMCI		(7,000)		(7,000)	(7,000)
SECURITY PROGRAMS	**801,509**	**0**	**0**	**0**	**801,509**
SECURITY PROGRAMS	801,509				801,509
SUPPORT OF OTHER NATIONS	**10,542**	**0**	**0**	**0**	**10,542**
INTERNATIONAL HDQTRS & AGENCIES	10,542				10,542
BASE SUPPORT	**351,452**	**0**	**0**	**0**	**351,452**
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	98,108				98,108
BASE OPERATIONS SUPPORT	253,344				253,344
CANCELLED ACCOUNTS	**0**	**0**	**0**	**0**	**0**
CANCELLED ACCOUNT	0				0

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
PROBLEM DISBURSEMENTS	0	0	0	0	0
PROBLEM DISBURSEMENTS	0				0
JUDGEMENT FUND	0				0
Information Technology Reduction		(200,000)		(200,000)	(200,000)
TOTAL, BA 04:ADMINISTRATION & SERVICEWIDE ACTIVITIES	**5,053,563**	**(344,600)**	**0**	**(344,600)**	**4,708,963**
Total Operation and Maintenance, Navy	**28,287,690**	**(385,900)**	**249,500**	**(635,400)**	**27,901,790**

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Operation and Maintenance, Marine Corps					
BUDGET ACTIVITY 01: OPERATING FORCES					
EXPEDITIONARY FORCES	2,421,141	111,100	111,100	0	2,532,241
OPERATIONAL FORCES	588,653	24,200			612,853
Hydration on the Move (Camelbak)			2,000		
Deployable Virtual Training Environment			2,500		
Individual First Aid Kit			6,200		
U.S. Joint Maritime BEQ Facility			600		
Restrictive Use Easements			5,800		
Mairne Air Command and Control Sustainment			1,100		
Corrosion Control and Coating Program			6,000		
FIELD LOGISTICS	320,108				320,108
DEPOT MAINTENANCE	101,439	86,900			188,339
Depot Maintenance			35,900		
Initial Issue			51,000		
BASE OPERATIONS SUPPORT	912,934				912,934
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	498,007				498,007
USMC PREPOSITIONING	81,031	0	0	0	81,031
MARITIME PREPOSITIONING	76,996				76,996
NORWAY PREPOSITIONING	4,035				4,035
TOTAL, BA 01:OPERATING FORCES	**2,502,172**	**111,100**	**111,100**	**0**	**2,613,272**
BUDGET ACTIVITY 03: TRAINING AND RECRUITING					

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
ACCESSION TRAINING	10,590	0	0	0	10,590
RECRUIT TRAINING	10,242				10,242
OFFICER ACQUISITION	348				348
BASE OPERATIONS SUPPORT	0				0
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	0				0
BASIC SKILLS AND ADVANCED TRAINING	173,555	0	0	0	173,555
SPECIALIZED SKILLS TRAINING	41,514				41,514
FLIGHT TRAINING	171				171
PROFESSIONAL DEVELOPMENT EDUCATION	8,863				8,863
TRAINING SUPPORT	123,007				123,007
BASE OPERATIONS SUPPORT	0				0
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	0				0
RECRUITING AND OTHER TRAINING EDUCATION	163,973	0	0	0	163,973
RECRUITING AND ADVERTISING	115,167				115,167
OFF-DUTY AND VOLUNTARY EDUCATION	35,606				35,606
JUNIOR ROTC	13,200				13,200
BASE OPERATIONS SUPPORT	0				0
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	0				0
BASE SUPPORT	229,144	0	0	0	229,144
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	78,073				78,073
BASE OPERATIONS SUPPORT	151,071				151,071
TOTAL, BA 03:TRAINING AND RECRUITING	**577,262**	**0**	**0**	**0**	**577,262**

BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
SERVICEWIDE SUPPORT	327,222	0	0	0	327,222
SPECIAL SUPPORT	229,485				229,485
SERVICEWIDE TRANSPORTATION	35,733				35,733
ADMINISTRATION	39,377				39,377
BASE OPERATIONS SUPPORT	18,991				18,991
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	3,636				3,636
COMMISSARY OPERATIONS	0				0
CANCELLED ACCOUNT	0	0	0	0	0
CANCELLED ACCOUNT	0				0
TOTAL, BA 04:ADMINISTRATION & SERVICEWIDE ACTIVITIES	**327,222**	**0**	**0**	**0**	**327,222**
Total Operation and Maintenance, Marine Corps	**3,406,656**	**111,100**	**111,100**	**0**	**3,517,756**
Operation and Maintenance, Air Force					
BUDGET ACTIVITY 01: OPERATING FORCES					
AIR OPERATIONS	11,769,514	(838,834)	419,666	(1,258,500)	10,930,680
PRIMARY COMBAT FORCES	3,496,496				3,496,496
PRIMARY COMBAT WEAPONS	331,972				331,972
COMBAT ENHANCEMENT FORCES	332,062				332,062
AIR OPERATIONS TRAINING	1,243,900				1,243,900
DEPOT MAINTENANCE	1,817,063	419,666			2,236,729
Depot Maintenance Equipment			329,666		
Depot level reparables (spares) for flying hour program			90,000		

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
COMBAT COMMUNICATIONS	1,350,589				1,350,589
BASE SUPPORT	2,260,913	(300,000)		(300,000)	1,960,913
FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	936,519				936,519
Fuel		(224,950)		(224,950)	(224,950)
Contingency Operations, Southeast Asia		(707,550)		(707,550)	(707,550)
Working Capital Fund-Cash		(26,000)		(26,000)	(26,000)
COMBAT RELATED OPERATIONS	**2,233,718**	**0**	**0**	**0**	**2,233,718**
GLOBAL C3I & EARLY WARNING	976,608				976,608
NAVIGATION/WEATHER SUPPORT	187,202				187,202
OTHER COMBAT OPERATIONS SUPPORT PROGRAMS	597,331				597,331
JCS EXERCISES	35,543				35,543
MANAGEMENT/OPERATIONAL HEADQUARTERS	213,088				213,088
TACTICAL INTELLIGENCE AND SPECIAL ACTIVITIES	223,946				223,946
SPACE OPERATIONS	**1,647,523**	**0**	**0**	**0**	**1,647,523**
LAUNCH FACILITIES	321,829				321,829
LAUNCH VEHICLES	67,232				67,232
SPACE CONTROL SYSTEMS	242,294				242,294
SATELLITE SYSTEMS	57,046				57,046
OTHER SPACE OPERATIONS	243,778				243,778
BASE SUPPORT	566,936				566,936
FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	148,408				148,408
TOTAL, BA 01:OPERATING FORCES	**15,650,755**	**(838,834)**	**419,666**	**(1,258,500)**	**14,811,921**

BUDGET ACTIVITY 02: MOBILIZATION

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
MOBILITY OPERATIONS	**3,453,330**	**(945,476)**	**0**	**(945,476)**	**2,507,854**
AIRLIFT OPERATIONS	2,167,958	(945,476)			1,222,482
Working Capital Fund-Transportation				(945,476)	
AIRLIFT OPERATIONS C3I	36,758				36,758
MOBILIZATION PREPAREDNESS	172,134				172,134
DEPOT MAINTENANCE	361,521				361,521
PAYMENTS TO TRANSPORTATION BUSINESS AREA	0				0
BASE SUPPORT	514,123				514,123
FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	200,836				200,836
TOTAL, BA 02:MOBILIZATION	**3,453,330**	**(945,476)**	**0**	**(945,476)**	**2,507,854**
BUDGET ACTIVITY 03: TRAINING AND RECRUITING					
ACCESSION TRAINING	**300,480**	**0**	**0**	**0**	**300,480**
OFFICER ACQUISITION	67,763				67,763
RECRUIT TRAINING	6,112				6,112
RESERVE OFFICER TRAINING CORPS (ROTC)	82,586				82,586
BASE SUPPORT (ACADEMIES ONLY)	68,682				68,682
FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION (ACADEMIES O	75,337				75,337
BASIC SKILLS AND ADVANCED TRAINING	**1,952,044**	**0**	**0**	**0**	**1,952,044**
SPECIALIZED SKILL TRAINING	324,067				324,067
FLIGHT TRAINING	675,173				675,173
PROFESSIONAL DEVELOPMENT EDUCATION	154,978				154,978
TRAINING SUPPORT	92,652				92,652
DEPOT MAINTENANCE	8,461				8,461
BASE SUPPORT (OTHER TRAINING)	529,663				529,663

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
FACILITIES SUSTAINMENT, RESTORATION, AND MODERNIZATION	167,050				167,050
RECRUITING, AND OTHER TRAINING AND EDUCATION	**445,206**	**0**	**0**	**0**	**445,206**
RECRUITING AND ADVERTISING	150,744				150,744
EXAMINING	3,103				3,103
OFF DUTY AND VOLUNTARY EDUCATION	114,240				114,240
CIVILIAN EDUCATION AND TRAINING	133,706				133,706
JUNIOR ROTC	43,413				43,413
TOTAL, BA 03:TRAINING AND RECRUITING	**2,697,730**	**0**	**0**	**0**	**2,697,730**
BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
LOGISTICS OPERATIONS	**3,069,280**	**(344,350)**	**0**	**(344,350)**	**2,724,930**
LOGISTICS OPERATIONS	965,075				965,075
TECHNICAL SUPPORT ACTIVITIES	409,392				409,392
SERVICEWIDE TRANSPORTATION	240,064				240,064
DEPOT MAINTENANCE	130,930				130,930
BASE SUPPORT	1,082,612				1,082,612
FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	241,207				241,207
Supply Management		(344,350)		(344,350)	(344,350)
SERVICEWIDE ACTIVITIES	**1,996,527**	**(30,811)**	**0**	**(30,811)**	**1,965,716**
ADMINISTRATION	234,370				234,370
SERVICEWIDE COMMUNICATIONS	347,528				347,528
PERSONNEL PROGRAMS	213,901	(10,000)			203,901
PCS Moves				(10,000)	
RESCUE AND RECOVERY SERVICES	121,063				121,063

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
ARMS CONTROL	33,640				33,640
OTHER SERVICEWIDE ACTIVITIES	679,177				679,177
OTHER PERSONNEL SUPPORT	34,655	(20,811)		(20,811)	13,844
CIVIL AIR PATROL CORPORATION	21,432				21,432
BASE SUPPORT	299,750				299,750
FACILITIES SUSTAINMENT, RESTORATION AND MODERNIZATION	11,011				11,011
COMMISSARY OPERATIONS SUPPORT	0				
SECURITY PROGRAMS	**907,694**	**0**	**0**	**0**	**907,694**
SECURITY PROGRAMS	907,694				907,694
SUPPORT TO OTHER NATIONS	**18,615**	**0**	**0**	**0**	**18,615**
INTERNATIONAL SUPPORT	18,615				18,615
Information Technology Reduction		(200,000)		(200,000)	(200,000)
TOTAL, BA 04:ADMINISTRATION & SERVICEWIDE ACTIVITIES	**5,992,116**	**(575,161)**	**0**	**(575,161)**	**5,416,955**
Total Operation and Maintenance, Air Force	**27,793,931**	**(2,359,471)**	**419,666**	**(2,779,137)**	**25,434,460**
Operation and Maintenance, Defense-wide					
BUDGET ACTIVITY 1: OPERATING FORCES					
JOINT CHIEFS OF STAFF	420,036	3,400			423,436
CJCS Exercise Program			3,400		
SPECIAL OPERATIONS COMMAND	1,851,533				1,851,533
Fuel		(40,900)		(40,900)	(40,900)
Contingency Operations, Southwest Asia		(58,100)		(58,100)	(58,100)

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
TOTAL, BUDGET ACTIVITY 1:	**2,271,569**	**(95,600)**	**3,400**	**(99,000)**	**2,175,969**
BUDGET ACTIVITY 2: MOBILIZATION					
DEFENSE LOGISTICS AGENCY	49,991				49,991
TOTAL, BUDGET ACTIVITY 2:	**49,991**	**0**	**0**	**0**	**49,991**
BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
AMERICAN FORCES INFORMATION SERVICE	14,005				14,005
CLASSIFIED PROGRAMS	3,058				3,058
DEFENSE ACQUISITION UNIVERSITY	101,695				101,695
DEFENSE CONTRACT AUDIT AGENCY	5,517				5,517
DEFENSE FINANCE AND ACCOUNTING SERVICE	0				0
DEFENSE HUMAN RESOURCESACTIVITY	35,262				35,262
DEFENSE SECURITY SERVICE	7,173				7,173
DEFENSE THREAT REDUCTION AGENCY	4,796				4,796
SPECIAL OPERATIONS COMMAND	92,646				92,646
TOTAL, BUDGET ACTIVITY 3:	**264,152**	**0**	**0**	**0**	**264,152**
BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
AMERICAN FORCES INFORMATION SERVICE	105,261				105,261
CIVIL MILITARY PROGRAMS	99,030	41,000			140,030
National Guard Youth Challenge			6,000		0
Supplementary Department of Defense Impact Aid			35,000		0
CLASSIFIED PROGRAMS	6,788,178				6,788,178
DEFENSE CONTRACT AUDIT AGENCY	359,011				359,011

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
DEFENSE CONTRACT MANAGEMENT AGENCY	1,008,908				1,008,908
DEFENSE FINANCE AND ACCOUNTING SERVICE	1,659				1,659
DEFENSE HUMAN RESOURCES ACTIVITY	276,802				276,802
DEFENSE INFORMATION SYSTEMS AGENCY	1,129,876	(10,600)		(10,600)	1,119,276
DEFENSE LOGISTICS AGENCY	259,713	(5,700)			254,013
Defense Logistics Agency (CTMA)			10,000		
Defense Logistics Agency (DPAO)				(15,700)	
DEFENSE LEGAL SERVICES AGENCY	17,757				17,757
DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,698,075				1,698,075
DEFENSE POW /MISSING PERSONS OFFICE	15,800				15,800
DEFENSE SECURITY COOPERATION AGENCY	284,767	(200,000)		(200,000)	84,767
DEFENSE SECURITY SERVICE	200,054				200,054
DEFENSE THREAT REDUCTION AGENCY	291,246	1,400	1,400		292,646
OFFICE OF ECONOMIC ADJUSTMENT	14,105				14,105
OFFICE OF THE SECRETARY OF DEFENSE	712,567	(19,800)			692,767
Contract of Support Service				(13,000)	
Long Range Planning				(6,800)	
SPECIAL OPERATIONS COMMAND	61,932				61,932
SPECIAL ACTIVITIES	0				0
JOINT CHIEFS OF STAFF	234,498				234,498
WASHINGTON HEADQUARTERS SERVICES	405,500				405,500
DEFENSE TECHNOLOGY SECURITY ADMINISTRATION	20,396				20,396
Sikes Act Extension		1,500	1,500		1,500
NIMA, Archive and Dissemination Systems		(10,000)		(10,000)	(10,000)
NIMA, Production and Information Systems Support		(10,000)		(10,000)	(10,000)
Defense Health Program (TRICARE)		(25,000)		(25,000)	(25,000)
Defense Security Service Case Control Management		(4,000)		(4,000)	(4,000)

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Information Technology Reduction		(100,000)		(100,000)	(100,000)
TOTAL, BUDGET ACTIVITY 4:	**13,985,135**	**(341,200)**	**53,900**	**(395,100)**	**13,643,935**
Total Operation and Maintenance, Defense-Wide	**16,570,847**	**(436,800)**	**57,300**	**(494,100)**	**16,134,047**
Operation and Maintenance, Army Reserve					
BUDGET ACTIVITY 01: OPERATING FORCES					
LAND FORCES	**962,490**	**2,000**	**2,000**	**0**	**964,490**
DIVISION FORCES	14,791	2,000			16,791
Army Reserve Cold Weaher Clothing (ECWCS)			2,000		
CORPS COMBAT FORCES	35,798				35,798
CORPS SUPPORT FORCES	309,462				309,462
ECHELON ABOVE CORPS FORCES	135,342				135,342
LAND FORCES OPERATIONS SUPPORT	467,097				467,097
LAND FORCES READINESS	**244,813**	**0**	**0**	**0**	**244,813**
FORCES READINESS OPERATIONS SUPPORT	122,020				122,020
LAND FORCES SYSTEM READINESS	59,846				59,846
DEPOT MAINTENANCE	62,947				62,947
LAND FORCES READINESS SUPPORT	**509,343**	**0**	**0**	**0**	**509,343**
BASE OPERATIONS SUPPORT	323,592				323,592
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	182,079				182,079
ADDITIONAL ACTIVITIES	3,672				3,672

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
TOTAL, BA 01:OPERATING FORCES	**1,716,646**	**2,000**	**2,000**	**0**	**1,718,646**
BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
ADMINISTRATION AND SERVICEWIDE ACTIVITIES	**235,363**	**0**	**0**	**0**	**235,363**
ADMINISTRATION	47,714				47,714
SERVICEWIDE COMMUNICATIONS	37,862				37,862
PERSONNEL/FINANCIAL ADMINISTRATION	47,092				47,092
RECRUITING AND ADVERTISING	102,695				102,695
TOTAL, BA 04:ADMINISTRATION & SERVICEWIDE ACTIVITIES	**235,363**	**0**	**0**	**0**	**235,363**
Total Operation and Maintenance, Army Reserve	**1,952,009**	**2,000**	**2,000**	**0**	**1,954,009**
Operation and Maintenance, Navy Reserve					
BUDGET ACTIVITY 01: OPERATING FORCES					
RESERVE AIR OPERATIONS	**574,870**	**0**	**0**	**0**	**574,870**
MISSION AND OTHER FLIGHT OPERATIONS	417,743				417,743
INTERMEDIATE MAINTENANCE	16,464				16,464
AIR OPERATIONS AND SAFETY SUPPORT	2,166				2,166
AIRCRAFT DEPOT MAINTENANCE	138,135				138,135
AIRCRAFT DEPOT OPERATIONS SUPPORT	362				362
RESERVE SHIP OPERATIONS	**154,765**	**0**	**0**	**0**	**154,765**
MISSION AND OTHER SHIP OPERATIONS	67,211				67,211
SHIP OPERATIONAL SUPPORT AND TRAINING	537				537

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
INTERMEDIATE MAINTENANCE	0				0
SHIP DEPOT MAINTENANCE	83,577				83,577
SHIP DEPOT OPERATIONS SUPPORT	3,440				3,440
RESERVE COMBAT OPERATIONS SUPPORT	**65,347**	**0**	**0**	**0**	**65,347**
COMBAT SUPPORT FORCES	65,347				65,347
RESERVE WEAPONS SUPPORT	**5,544**	**0**	**0**	**0**	**5,544**
WEAPONS MAINTENANCE	5,544				5,544
BASE SUPPORT	**193,038**	**0**	**0**	**0**	**193,038**
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	61,929				61,929
BASE OPERATIONS SUPPORT	131,109				131,109
TOTAL, BA 01:OPERATING FORCES	**993,564**	**0**	**0**	**0**	**993,564**
BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
ADMINISTRATION AND SERVICEWIDE ACTIVITIES	**178,357**	**0**	**0**	**0**	**178,357**
ADMINISTRATION	12,560				12,560
CIVILIAN MANPOWER & PERSONNEL MGT	2,269				2,269
MILITARY MANPOWER & PERSONNEL MGT	36,276				36,276
SERVICEWIDE COMMUNICATIONS	120,733				120,733
COMBAT/WEAPONS SYSTEMS	5,665				5,665
OTHER SERVICEWIDE SUPPORT	854				854
CANCELLED ACCOUNTS	**0**	**0**	**0**	**0**	**0**
CANCELLED ACCOUNTS	0				0

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
TOTAL, BA 04:ADMINISTRATION & SERVICEWIDE ACTIVITIES	**178,357**	**0**	**0**	**0**	**178,357**
Total Operation and Maintenance, Navy Reserve	**1,171,921**	**0**	**0**	**0**	**1,171,921**
Operation and Maintenance, Marine Corps Reserve					
BUDGET ACTIVITY 01: OPERATING FORCES					
MISSION FORCES	**139,836**	**25,500**	**25,500**	**0**	**165,336**
OPERATING FORCES	61,261	13,200			74,461
Initial Issue			13,200		
DEPOT MAINTENANCE	10,231	12,300			22,531
Depot Level Maintenance			7,300		
Cartridge, 5.56 Ball M855, Lead Free Shot			5,000		
BASE OPERATIONS SUPPORT	33,621				33,621
TRAINING SUPPORT	25,953				25,953
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	8,770				8,770
TOTAL, BA 01:OPERATING FORCES	**139,836**	**25,500**	**25,500**	**0**	**165,336**
BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
ADMINISTRATION AND SERVICEWIDE ACTIVITIES	**34,116**	**0**	**0**	**0**	**34,116**
SPECIAL SUPPORT	8,956				8,956
SERVICEWIDE TRANSPORTATION	578				578
ADMINISTRATION	9,721				9,721

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
BASE OPERATIONS SUPPORT	6,701				6,701
RECRUITING AND ADVERTISING	8,160				8,160
Information Technology O&M	8,775				8,775
Back-Out Information Technololgy O&M	(8,775)				(8,775)
TOTAL, BA 04:ADMINISTRATION & SERVICEWIDE ACTIVITIES	**34,116**	**0**	**0**	**0**	**34,116**
Total Operation and Maintenance, Marine Corps Reserve	**173,952**	**25,500**	**25,500**	**0**	**199,452**
Operation and Maintenance, Air Force Reserve					
BUDGET ACTIVITY 01: OPERATING FORCES					
AIR OPERATIONS	**2,074,372**	**(9,000)**	**0**	**(9,000)**	**2,065,372**
PRIMARY COMBAT FORCES	1,351,819				1,351,819
MISSION SUPPORT OPERATIONS	69,058				69,058
DEPOT MAINTENANCE	319,109				319,109
BASE OPERATIONS SUPPORT	61,783	(9,000)			52,783
Base Infrastructure				(9,000)	
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	272,603				272,603
TOTAL, BA 01:OPERATING FORCES	**2,074,372**	**(9,000)**	**0**	**(9,000)**	**2,065,372**
BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
ADMINISTRATION AND SERVICEWIDE ACTIVITIES	**104,816**	**0**	**0**	**0**	**104,816**
ADMINISTRATION	59,138				59,138
MILITARY MANPOWER AND PERSONNEL MANAGEMENT	24,253				24,253

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
RECRUITING AND ADVERTISING	14,162				14,162
OTHER PERSONNEL SUPPORT	6,642				6,642
AUDIOVISUAL	621				621
TOTAL, BA 04:ADMINISTRATION & SERVICEWIDE ACTIVITIES	**104,816**	**0**	**0**	**0**	**104,816**
Total Operation and Maintenance, Air Force Reserve	**2,179,188**	**(9,000)**	**0**	**(9,000)**	**2,170,188**
Operation and Maintenance, Army National Guard					
BUDGET ACTIVITY 01: OPERATING FORCES					
LAND FORCES	**2,249,313**	**2,000**	**2,000**	**0**	**2,251,313**
DIVISIONS	669,748	2,000			671,748
ARNG Cold Weather Clothing (ECWCS)			2,000		0
CORPS COMBAT FORCES	651,273				651,273
CORPS SUPPORT FORCES	343,180				343,180
ECHELON ABOVE CORPS FORCES	563,199				563,199
LAND FORCES OPERATIONS SUPPORT	21,913				21,913
LAND FORCES READINESS	**428,945**	**0**	**0**	**0**	**428,945**
FORCE READINESS OPERATIONS SUPPORT	128,036				128,036
LAND FORCES SYSTEMS READINESS	106,760				106,760
LAND FORCES DEPOT MAINTENANCE	194,149				194,149
LAND FORCES READINESS SUPPORT	**1,268,585**	**(40,000)**	**0**	**(40,000)**	**1,228,585**
BASE OPERATIONS SUPPORT	448,167	(40,000)			408,167
GuardNet				(40,000)	

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	380,226				380,226
MANAGEMENT & OPERATIONAL HEADQUARTERS	398,017				398,017
MISCELLANEOUS ACTIVITIES	42,175				42,175
TOTAL, BA 01:OPERATING FORCES	**3,946,843**	**(38,000)**	**2,000**	**(40,000)**	**3,908,843**
BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
ADMINISTRATION AND SERVICEWIDE ACTIVITIES	**264,488**	**21,000**	**21,000**	**0**	**285,488**
STAFF MANAGEMENT	102,752	16,000			118,752
Military Technicians			16,000		
INFORMATION MANAGEMENT	13,529	5,000			18,529
Nationwide dedicated fiber optic network			5,000		
PERSONNEL ADMINISTRATION	51,667				51,667
RECRUITING AND ADVERTISING	96,540				96,540
TOTAL, BA 04:ADMINISTRATION & SERVICEWIDE ACTIVITIES	**264,488**	**21,000**	**21,000**	**0**	**285,488**
Total Operation and Maintenance, Army National Guard	**4,211,331**	**(17,000)**	**23,000**	**(40,000)**	**4,194,331**
Operation and Maintenance, Air National Guard					
BUDGET ACTIVITY 01: OPERATING FORCES					
AIR OPERATIONS	**4,366,395**	**2,000**	**2,000**	**0**	**4,368,395**
AIRCRAFT OPERATIONS	2,842,931				2,842,931
MISSION SUPPORT OPERATIONS	336,979				336,979
BASE OPERATIONS SUPPORT	410,627				410,627

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	154,798				154,798
DEPOT MAINTENANCE	621,060	2,000			623,060
ANG Cold Weather Clothing (ECWCS)			2,000		0
TOTAL, BA 01:OPERATING FORCES	**4,366,395**	**2,000**	**2,000**	**0**	**4,368,395**
BUDGET ACTIVITY 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES					
SERVICEWIDE ACTIVITIES	**36,251**	**0**	**0**	**0**	**36,251**
ADMINISTRATION	26,547				26,547
RECRUITING AND ADVERTISING	9,704				9,704
TOTAL, BA 04:ADMINISTRATION & SERVICEWIDE ACTIVITIES	**36,251**	**0**	**0**	**0**	**36,251**
Total Operation and Maintenance, Air National Guard	**4,402,646**	**2,000**	**2,000**	**0**	**4,404,646**
ENVIRONMENTAL RESTORATION, ARMY /4	396,018				396,018
ENVIRONMENTAL RESTORATION, NAVY	256,153				256,153
ENVIRONMENTAL RESTORATION, AIR FORCE	384,307				384,307
ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	24,081				24,081
ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES	212,619				212,619
ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES					0
United States Industrial Base Capabilities Fund		100,000	100,000		100,000
OVERSEAS CONTINGENCIES	50,000	(50,000)		(50,000)	0
TOTAL, O&M, TRANSFER ACCOUNTS	**1,323,178**	**50,000**	**100,000**	**(50,000)**	**1,373,178**
U.S. COURT OF APPEALS FOR THE ARMED FORCES	10,333				10,333

Title III - OPERATIONS AND MAINTENANCE
(Dollars in Thousands)

Account / Budget Activity / Sub-activity Group	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
SUPPORT OF INTERNATIONAL SPORTING COMPETITIONS	0				0
OVERSEAS MILITARY INVESTMENT RECOVERY					0
DISPOSAL OF DOD PROPERTY					0
OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AFFAIRS	59,000				59,000
PAYMENT TO KAHO'OLAWE ISLAND	0				0
EMERGENCY RESPONSE FUND, DEFENSE	0				0
FORMER SOVIET UNION THREAT REDUCTION	450,800				450,800
QUALITY OF LIFE ENHANCEMENTS	0				0
OPPLAN 34A-35 P.O.W.	0				0
COUNTER-TERRORISM/WMD DEFENSE	0				0
TOTAL, MISCELLANEOUS	**520,133**	**0**	**0**	**0**	**520,133**
TOTAL OPERATION AND MAINTENANCE TITLE:	**116,958,824**	**(2,932,326)**	**1,479,816**	**(4,412,142)**	**114,026,498**

ITEMS OF SPECIAL INTEREST

BUDGET REQUEST ADJUSTMENTS—READINESS

The committee recommends the following adjustments to the fiscal year 2004 amended budget request:

[In millions of dollars]

Department of the Army Adjustments:		
BA–1	Hydration on the Move (Camelbak)	2.0
BA–1	Controlled Humidity Preservation (CHP) Program	4.0
BA–1	Consumable Parts	90.0
BA–1	Depot Maintenance	231.3
BA–3	U.S. Army Engineer School	4.0
BA–3	Army's Defense Language Institute	2.5
BA–3	Flight School XXI	148.0
BA–4	Military Vehicle Tires	2.0
BA–4	Army Military Vehicle Batteries	2.0
BA–4	American Red Cross	3.0
BA–1	Fuel	(20.5)
BA–1	Working Capital Fund—Cash	(50.0)
BA–1	Contingency Operations, Southwest Asia	(200.4)
BA–4	Administration	(7.9)
BA–4	Other Support Services	(7.1)
BA–4	Civilian Personnel Underexecution	(26.6)
	Army National Guard Cold Weather Clothing (ECWCS)	2.0
	Army Reserve Cold Weather Clothing (ECWCS)	2.0
Department of the Navy Adjustments:		
BA–1	Ship Depot Maintenance	76.0
BA–1	Flight Operations	172.5
BA–1	Fuel	(122.7)
BA–1	Contingency operations, Southwest Asia	(76.1)
BA–3	Training Support	(15.0)
BA–4	Administration	(10.0)
BA–4	Planning, Engineering, and Design	(10.0)
United States Marine Corps Adjustments:		
BA–1	Hydration on the Move (Camelbak)	2.0
BA–1	Depot Maintenance	35.9
BA–1	Initial Issue	51.0
BA–1	U.S. Joint Maritime BEQ Facility	0.6
BA–1	Deployable Virtual Training Environment	2.5
BA–1	Individual First Aid Kit	6.2
BA–1	Restrictive Use Easements	5.8
BA–1	Air Command and Control Sustainment	1.1
BA–1	Corrosion Control and Prevention Program	6.0
BA–1	USMC Reserve—Depot Level Maintenance	7.3
BA–1	USMC Reserve—Initial Issue	13.2
BA–1	USMC Reserve—Cartridge, 5.56 Ball M855	5.0
Department of the Air Force Adjustments:		
BA–1	Depot Maintenance	329.7
BA–1	Flying Hour Spares	90.0
BA–1	Base Operations Support	(300.0)
BA–1	Working Capital Fund—Cash	(26.0)
BA–1	Fuel	(225.0)
BA–1	Supply Management	(344.4)
BA–1	Working Capital Fund—Transportation	(946.3)
BA–1	Contingency Operations, Southeast Asia	(707.6)
BA–4	Civilian PCS	(20.8)
BA–4	Early Outs	(10.0)
BA–1	Air National Guard Cold Weather Clothing (ECWCS)	2.0
Defense-wide Activities Adjustments:		
BA–4	Defense Logistics Agency (CTMA)	10.0
BA–1	Fuel	(40.9)
BA–1	Contingency Operations, Southwest Asia	(58.1)
BA–4	Defense Logistics Agency (DPAO)	(15.7)
BA–4	Office of Secretary of Defense, Contract of Support Service	(13.0)
BA–4	Office of Secretary of Defense, Long-range planning	(6.8)
BA–4	Defense Information Systems Agency	(10.6)

BA–4 Defense Security Cooperation Agency	(200.0)
Transfer Accounts and Miscellaneous:	
Overseas Contingencies	(50.0)

BUDGET REQUEST DISPLAY ISSUES—READINESS

Base Operating Support

Base operating support is a vital aspect of community support affecting the ability of installations to support resident missions and execute quality of life programs affecting service members and their families. Each of the services has established installation management structures to implement overarching strategies and programs designed to achieve service-wide efficiencies. The services are encouraged to continue their efforts to find efficiencies in base operating support functions through standardization and adoption of "best practices." The committee notes that funding for base operating support in fiscal year 2004 decreases in all but one service. The committee urges the Department to ensure that all the services focus their installation management structures on achieving additional efficiencies. The committee recommends a decrease of $300.0 million to the proposed budget in order to fund other higher priority requirements.

Civilian Career Program Relocations—Air Force

The committee does not support a 52 percent increase in civilian career program relocations. The proposed increase is to fund real estate expenses associated with the government's purchase of homes that government employees are not able to sell as a result of accepting a position of employment in a different geographical location. The committee notes that this is an optional entitlement used in recruiting government employees. The budget material presented states there will be 1,375 projected civilian relocations in FY 2004. Accordingly, the committee recommends a reduction of $10.0 million to the proposed budget and recommends funding other higher priority programs.

Civilian Personnel Budget—Army

The General Accounting Office has projected that the Army has overstated the cost for civilian personnel by $26.6 million. The projections are based on the Department's February 28, 2003 civilian personnel staffing report. The committee, therefore, recommends a reduction of $26.6 million to the proposed budget.

Civilian Separation Incentives—Air Force

The committee is concerned that the Air Force is requesting additional funds for civilian separations. Section 4436 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) authorizes the use of civilian separation incentives. The committee notes the source of the payments shall be paid by an agency out of any funds or appropriations available for salaries and expenses of such agency. The committee recommends that the Air Force fund this program with prudent management of civilian under execution. Accordingly, the committee recommends a reduction of $20.8 million to the proposed budget.

Commercial Technologies for Maintenance Activities—Defense Logistics Agency

It is vital for depot level activities to have access to modern and advanced manufacturing capabilities. The Commercial Technologies for Maintenance Activities program is designed to allow depot level activities to participate in manufacturing technology demonstration projects with the leading United States manufacturers. The committee recommends the addition of $10.0 million for the Defense Logistics Agency to continue this program.

Consumable Repair Parts—Army

The committee recommends an increase of $90 million to the proposed budget in order for the Army to fund adequately the Army's projected orders for consumable repair parts. The Army projected an increase growth in consumable repair parts when they updated the annual average for fiscal year 2004 budget. The Army updates this average each year based on the actual demand data from the three previous years. However, the Army made a decision to suppress the demand identified and instead used a ten year average to project demands for the operating tempo model. The committee is concerned that the Army is assuming unnecessary risk.

The committee notes that the Army has made significant improvements in the execution of ground operational tempo combined arms training strategy mile requirements in fiscal year 2001 and fiscal year 2002. The committee recommends, at a minimum, that the Army continue to use a three-year moving average to project consumable repair part demands for its ground operational tempo requirements.

Contingency Operations Funding—Southwest Asia

The proposed budget includes a funding request for contingency operations in Bosnia, Kosovo, and Southwest Asia. Recent operations in Iraq have obviated the requirement for such funds for Southwest Asia. The committee, therefore, recommends a reduction in the following accounts.

[In millions of dollars]

Army Operations	(200.4)
Navy Operations	(76.1)
Air Force Operations	(707.6)
Defense-Wide Operations	(58.1)

Defense Information Systems Agency

The budget request proposed an additional $10.6 million for the Defense Information Systems Agency for increased backbone fiber in support of the war effort. This cost, incurred in fiscal year 2003, should not be included in the budget request for the upcoming fiscal year. The committee, therefore, recommends a reduction of $10.6 million to the Defense Information Systems Agency budget request.

Defense Policy Analysis Office

In fiscal year 2003, the Defense Logistics Agency received the mission of the Defense Policy Analysis Office, which is to "review,

analyze, and assess DLA support and serve policies, plans, concepts, procedures, and operations to provide the most efficient, cost-effective, and responsive support to Department of Defense components and other federal departments and agencies." The mission of this office is also to "address the development of DOD support policies, plans, concepts, procedures, and operations as requested by supported organizations." The committee believes that the described functions are inherent functions of management and headquarters and that a unique office is not necessary. The committee recommends a reduction of $15.7 million in this program.

Depot Funding

The depot accounts of the Army, Navy and Air Force are under-resourced in the fiscal year 2004 budget request despite the likelihood that depot workload will increase as equipment returns from the recent war with Iraq. At or near the top of each service's unfunded requirements list are important depot funding items. The committee is disappointed that the Department has submitted a budget that allows these critical components of readiness to lack the requisite resources. The committee, therefore, recommends the following increases to the proposed budget.

[In millions of dollars]

Army Depots	231.3
Navy Depots	76.0
Air Force Depots	329.7
United States Marine Corps	35.9
United States Marine Corps, Reserve	7.3

Army

The committee notes that the Army continues to have funding shortfalls in depot maintenance which directly impacts near-term readiness. The committee recommends an additional $231.2 million to maintain organic and contractor critical industrial base skills necessary to perform depot maintenance.

Air Force

The committee notes that the Secretary of the Air Force has at the top of the unfunded priority list a requirement for an additional $516.0 million in depot equipment maintenance. The committee does not consider it acceptable to take such a risk with depot maintenance. The committee notes that in fiscal year 2003 the Air Force funded its depot maintenance requirement at 73 percent, but midway through this fiscal year was forced to transfer $227 million out of its flying hour program into the depot maintenance program. The committee believes it is more appropriate to adequately fund depot maintenance at the beginning of the fiscal year. The committee believes that it is appropriate to reduce program growth and program funding for base operating support in order to minimize the size of the depot maintenance unfunded requirement. The committee recommends a reduction of $300 million to the Air Force base operating support program and recommends an increase of $329.7 million to the Air Force depot maintenance program.

The committee expects the additional funding for depot maintenance to fund the most critical shortfalls, such as aircraft and en-

gines. The committee notes that without this additional funding the Air Force would defer depot maintenance on 42 aircraft and 76 engines. The committee also notes that the fiscal year 2002 aircraft breakage rates were unusual. The committee is concerned that the fiscal year 2004 projections are erroneously based on this data. Accordingly, the committee recommends an increase of $90 million for flying hour spare parts.

Navy

The proposed budget requests a reduction of $600 million in the Navy's ship depot maintenance account. The Chief of Naval Operations, however, asserts that this reduced level of funding will adequately fund ship depot maintenance accounts. Nevertheless, there are particular classes of ships that the Chief of Naval Operations has identified as critical programs that are not funded in fiscal year 2004.

First, the LHA 1 class of ships requires additional funding to support midlife depot maintenance program to ensure that the ships can attain their estimated service life of 35 years. The LHA plays a vital and unique role. Troops, vehicles, and equipment can all land simultaneously on the LHA, as the ship has aviation and landing components. The committee recommends an additional $33 million to fund the LHA midlife depot maintenance program.

Second, the AOE–1 class of ships, also known as fast combat support ships, have a service life of 35 years. The average age of this ship is beyond 35 years. The committee recognizes that these ships, which have high operational tempo, will need to be utilized for several more years. Chief of Naval Operations has also identified depot maintenance for this class of ships as a critical program not funded in fiscal year 2004. The committee recommends an additional $43 million to fund depot maintenance for the AOE–1 class of ships.

In addition the committee notes that the Navy has not adequately funded flight operations to allow the fleet to train to the prescribed level of training. Accordingly, the committee expects that $90 million will be applied to flight operations.

Marine Corps

The proposed budget would only fund 67 percent of the Marine Corps' depot maintenance requirement. The committee does not consider this acceptable. The committee recommends an additional $35.9 million and 7.3 million to fund the Marine Corps and Marine Corps Reserve depot maintenance programs respectively.

Fuel Costs—Defense Logistics Agency

In preparing the fiscal year 2004 budget request, the Department projected fuel costs that have since trended downwards. The General Accounting Office believes that the projected fuel shortfall due to price fluctuation for fiscal years 2003 and 2004 would be $825.6 million. The committee notes that the fiscal year 2003 supplemental appropriation will provide funds that exceed the fuel costs now anticipated for both fiscal years. In addition, the committee understands the Defense Logistics Agency (DLA) set aside $541.7 million of their accumulated operating result in fiscal year 2004. These funds were to pay the difference between the rate DLA will

charge the Department's customers and the price it costs to purchase the fuel. In light of the supplemental appropriations available to fund fuel in fiscal years 2003 and 2004, along with the excess funds in DLA's working capital account, the committee recommends the following reductions and directs that the Defense Logistics Agency reimburse the customers listed below by December 31, 2003.

[In millions of dollars]

Army Operations	(20.5)
Navy Operations	(122.7)
Air Force Operations	(225.0)
Defense-wide Operations	(40.9)

Initial Issue Equipment—Marine Corps

The Commandant of the Marine Corps has an unfunded requirement for initial issue equipment. Under this category of equipment are load bearing equipment, all purpose environmental clothing systems, outer tactical vests, small arms protective inserts, light weight helmets, tents, command posts, and camouflage systems. The committee recommends an additional $51.0 million for the Marine Corps and $13.2 million Marine Corps Reserve to fund this requirement.

Office of Secretary of Defense, Contracts and Other Support Services

The budget request proposes an additional $59.6 million in program growth for contracts and other support services. A significant portion of this growth, $23.0 million, would fund Joint Public Affairs Task Force and Defense News Network. The committee does not believe DOD has adequately explained or justified this request, particularly the need to develop a Defense News Network. The committee, therefore, recommends a reduction of $13.0 million for this program.

Overseas Contingency Operations Fund

The Department has budgeted $50.0 million in the Overseas Contingency Operation Fund to finance unanticipated costs for contingency operations. The committee expects that these unforeseen costs will be requested in either the annual omnibus reprogramming request or supplemental requests in fiscal year 2004. Accordingly, the committee recommends a reduction in this account by $50.0 million.

Supply Management Activity Group—Air Force

The committee notes that the Air Force supply management activity group is projected to have a positive accumulated operating result of $668.7 million in fiscal year 2004. The budget material presented no rationale to justify maintaining such profit levels. Specifically, page six of the Air Force Working Capital Fund budget exhibit reads, "Our cash on hand at the end of FY 2002 was $1,323.3 million, which was considerably higher than our FY 03 PB projected ending balance of $810 million." The fiscal year 2004 cash requirement, as outlined in the budget material, is between $756–989 million, which equates to seven to ten days of operating cash.

The committee was informed that the ending cash balance on March 31, 2003 was $800 million. The committee is concerned that these funds are not being returned to the customer in the form of lower rates. Therefore, the committee recommends a reduction in the proposed budget of $344.4 million and directs the Secretary of the Air Force to use the excess accumulated operating results to offset this price adjustment.

Transportation Working Capital Fund-Air Force

In fiscal year 2002, the transportation working capital fund experienced $680 million of positive operating results from increased customer orders from Operation Enduring Freedom. Similarly, significantly higher customer orders have been recorded as a result of Operation Iraq Freedom. The committee projects that the combination of these two operations will continue to generate positive operating results. Therefore, the committee recommends a reduction in the proposed budget by $1.3 billion and directs the Secretary of the Air Force to use the excess accumulated operating results to offset this price adjustment.

Working Capital Fund Cash Management

The committee notes that the working capital funds serve a vital role in providing financial transaction flexibility for critical defense customer support activities. When working capital funds produce an annual operating result involving a surplus, consideration should be given to adjusting customer rates in future years. Working capital funds that do not appropriately return surplus funds to the supported departments, commands, and agencies through rate-change mechanisms artificially inflate the cost of support and deprive the supported units of limited resources. The committee, therefore, recommends a reduction in the proposed budget, as identified below, and directs that the excess cash balances in those working capital funds be returned to the respective service to offset this pricing adjustment. In addition, the committee has reduced funds where there is cash in excess of the ten-day level.

Army Working Capital Fund (Excess Cash)	(50.0)
Air Force Working Capital Fund (Excess Cash)	(26.0)
Air Force Working Capital Fund Supply Management	(344.4)
Air Force Working Capital Fund Transportation	(946.3)

BUDGET REQUEST—OTHER MATTERS

Chemical Agents and Munitions Destruction

The budget request contained $1,530.3 million in Other Defense Accounts for Chemical Agents and Munitions Destruction, including $1,199.2 million for operations and maintenance, $251.9 million for research, development, test, and evaluation and $79.2 million for procurement. The budget request also contained $119.8 million in military construction for the chemical agents and munitions destruction program.

The committee recommends $251.9 million for Chemical Agents and Munitions Destruction research, development, test and evaluation, and $79.2 million for Chemical agents and Munitions Destruction procurement. The committee also recommends $1,249.2 million

for Chemical Agents and Munitions Destruction operations and maintenance, including an increase of $50.0 million for the Chemical Stockpile Emergency Preparedness Program. Elsewhere in this report the committee recommends $119.8 million, the budget request, for military construction for the chemical agents and munitions destruction program.

The committee notes the following activities with respect to the chemical demilitarization program:

(1) To date, more than 8,000 tons of chemical agent, over 25 percent of the total U.S. stockpile, has been safely destroyed in operational demilitarization facilities at Johnston Atoll Chemical Agent Disposal System and Tooele Chemical Agent Disposal Facility, Utah, using the baseline incineration process. Stockpile demilitarization operations at the Johnston Atoll facility have been completed and shutdown of that facility is all but completed. A major safety review of Tooele operations, which was precipitated by the exposure of a maintenance worker to a nerve agent last year, has been completed and live agent destruction operations at that facility have been resumed.

(2) Construction of demilitarization faculties at Anniston Chemical Agent Disposal Facility, Alabama, and Umatilla Chemical Agent Disposal Facility, Oregon, has been completed and systematization operations required to test the facilities prior to beginning live agent destruction operations are in progress. Construction of the facility at Pine Bluff Chemical Agent Disposal Facility, Arkansas, is nearing completion.

(3) Actions are underway to accelerate the disposal of bulk mustard agent at Aberdeen Chemical Agent Neutralization Facility, Maryland, and of bulk VX nerve agent at the Newport Chemical Agent Neutralization Facility, Indiana. Live agent neutralization operations have begun at Aberdeen.

(4) Decisions have been made regarding the use of alternate technologies developed under the Assembled Chemical Weapons Assessment program (chemical neutralization of the agent) for the stockpiles stored at Pueblo, Colorado and Lexington-Blue Grass Army Depot, Kentucky.

(5) The resolution of disagreements between the Army, the Federal Emergency Management Agency, and local authorities over chemical stockpile emergency preparedness measures in Anniston, Alabama, could delay the start of chemical agent destruction operations at that site.

The fiscal year 2004 budget request supports the following major efforts under the chemical demilitarization program:

[In millions of dollars]

Closure of Johnston Atoll	77.3
Ongoing demilitarization operations at Tooele	165.7
Ongoing demilitarization operations at Anniston	143.2
Ongoing demilitarization operations at Umatilla	143.7
Start-up of demilitarization operations at Pine Bluff	132.9
Final operations and closure at Aberdeen	117.0
Complete operations at Newport	144.0
Continued construction at Pueblo	122.8
Chemical stockpile emergency preparedness program	132.6
Non-stockpile chemical materiel destruction program	176.0
Construction	119.8

The committee is aware of unfunded requirements of $54.1 million for the Chemical Stockpile Emergency Preparedness Program for additional enhancements to the ability of state and local governments to respond to a chemical accident or incident at chemical stockpile storage sites in Arkansas, Oregon, and Alabama. To address these requirements the committee has recommended an increase of $50.0 million to the budget request.

The committee also notes that the program has undergone a major management reorganization to consolidate both demilitarization and chemical site storage operations under a single head who reports to both the Assistant Secretary of the Army (Acquisition, Technology, and Logistics) and the Commander, Army Materiel Command. The committee believes that the new management structure will provide the capability to better integrate the activities of each chemical stockpile storage site and the chemical demilitarization facility located at that site. The new organization will also significantly improve coordination of the plans and activities of the chemical stockpile disposal program and the assembled chemical weapons assessment program.

The committee notes further that the program is funded in a new Appropriation Title "054 Other Defense Programs" that is separate from that of the Army or any of the other military departments, thereby meeting the guidance in section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99–145).

Defense and Security Cooperation with Poland, Bulgaria, and Romania

The committee recognizes the diplomatic, political, and military support provided by Poland, Bulgaria, and Romania leading up to, and during, Operation Iraqi Freedom. Their leadership in supporting efforts to end Saddam Hussein's threat to international security demonstrates their value as emerging allies and their commitment to preserving international peace. Given their commitment to a democratic, peaceful, and secure world, and their demonstrated willingness to take substantive action to support it, the committee believes it is important to expand defense and security cooperation with these countries. Therefore, the committee recommends an additional $3.4 million for the Chairman of the Joint Chiefs of Staff exercise program to fund, where appropriate, exercise-related minor construction in Poland, Bulgaria, and Romania.

Expansion of Export Control Database

The committee recommends an additional $1.4 million to the Defense Threat Reduction Agency in order to strengthen and expand the existing federal effort to help foreign governments improve their export control performance through an export control database currently used by some 16 countries in Eastern Europe and the former Soviet Union. The committee recommends the funds be used to continue existing subscriptions of the export control database for foreign countries, supply the database to additional countries, provide education and training for its use, enhance the quality and utility of the database by expanding its coverage of weapons of mass destruction information focusing more on terrorism threats, produce a secure intranet version of the database to en-

courage countries to share information more readily, and perform related research and public education initiatives on export control policy.

INFORMATION TECHNOLOGY ISSUES

Overview

The committee believes that information technology (IT) is critical to Department of Defense transformation in the 21st century. The first sentence of the Department's recently published Transformation Planning Guidance states, "the United States is transitioning from an industrial-based military to an information-age military." Our combat forces in Iraq used information dominance to devastating advantage over enemy units. The committee strongly supports the Department's efforts to continue to expand that advantage and also supports several promising technological programs to that end.

The committee is concerned, however, that the Department has not maintained sufficient scrutiny over its IT program as a whole. For example, the committee has received testimony that there are a multitude of legacy systems in the Department seemingly invulnerable to displacement by the more comprehensive architecture of modern systems that the Department is building. However, the Department continues to spend monies for development modernization of these legacy systems while simultaneously investing in future capabilities such as information and communication systems. Furthermore, the Department has difficulty explaining to the committee exactly how IT funding is expended each year—or what project, for what purpose, and what the rationale is for the expenditure.

The Department has made a strong case for information dominance, supported by a dynamic, interconnected backbone of networks, computers, satellites, communications, and other information and communications devices.

Against pressure from legitimate commercial users, the committee has supported maintaining the Department's bandwidth needs, and continues to support the Department's continued emphasis on information dominance through robust funding. At the same time, the committee expects the Department to exercise strong oversight of these programs and to strictly scrutinize legacy programs and swiftly terminate them if new systems are replacing them. Additionally, the committee strongly believes the Department and military department Chief Information Officers should have more responsibility and accountability towards programs and systems under their jurisdiction and review.

In this regard, the committee has proposed legislation that will increase the level of scrutiny exercised by the Department's Chief Information Officers, and recommends a series of reductions in apparently redundant IT programs and those that have failed to meet performance standards. The committee supports real transformation—transformation that not only develops innovative solutions, but also has the discipline to abandon techniques and procedures that have not resulted in cost-effectiveness nor having met performance deadlines.

Budget Displays

Elsewhere in this report, the committee expressed serious concerns with the accuracy and clarity of the Department of Defense's budget displays and documentation. In that regard, the committee is particularly dissatisfied with the information technology (IT) budget submission display in light of the requirements imposed by section 351 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314).

As technology evolves and matures, complex IT systems have become an ever more important element of Department of Defense transformation and expenditures. Therefore, the committee believes that both the Office of the Secretary of Defense and Congress should have a comprehensive budget explanation of IT expenditures.

Accordingly, the committee directs the Secretary of Defense to supplement future budget submission displays of IT programs with a summary spreadsheet for each military service or defense agency that lists each IT program, proposed expenditures by appropriation, budget authority and line number, the program element number, whether the program is in developmental modernization or current services, whether the program is an IT system or a national security system, and the budget requests from the two previous fiscal years, the present fiscal year, and the next fiscal year.

General Reductions

The committee notes that the Army's budget request contained $31.1 billion for operations and maintenance, including information technology (IT) programs and systems; the Navy's budget request contained $33.0 billion; the Air Force's budget request was for $34.4, and defense-wide request contained $16.6 billion.

While the committee supports transformational initiatives that modernize IT systems and programs, the committee has serious concerns about the lack of management and proper oversight into many of the IT programs and systems at the various military departments and defense-wide. Therefore, the committee recommends a total reduction of $568.0 million for all information technology activities in the Army, Navy, Air Force, and defense-wide operations and maintenance accounts as noted in the table below:

[In millions of dollars]

Army	68.0
Navy	200.0
Air Force	200.0
Defense-Wide	100.0

Global Information Grid Bandwidth Expansion

The committee believes that the Department of Defense should move to a fully integrated information technology architecture, and that the Global Information Grid Bandwidth Expansion (GIG–BE) is a critical part of that effort. However, the committee is troubled by the manner in which the procurement is presently conducted. The committee notes that the Department is requesting $386.1 million to fund this high priority modernization effort in fiscal year 2004. The committee understands that the Defense Information Systems Agency (DISA), which is administering the project, intends

to establish system requirements that are inconsistent with industry standards, may favor antiquated legacy systems, may potentially have a bias for non-domestic providers, and may be suboptimal. To cite two examples, the committee has been informed that DISA may establish non-industry standard environmental requirements regarding operations in humid environments, and that DISA's proposed power level requirements are a generation behind current technology. The committee is deeply concerned that DISA would deliberately set a lower power level requirement that would work against the very reason for building the GIG–BE—essentially, the ability to handle greater bandwidth. Accordingly, the committee directs the Secretary of Defense to review the system requirements for the GIG–BE to ensure that the requirements contemplated are open and fair, and reflect current technological and industry standards to meet the Department's future bandwidth needs.

Information Technology Specific Reductions

The Department of Defense's budget request for information technology (IT) includes both IT and national security systems (NSS). The committee supports the Department's goal of protecting the U.S. homeland and critical bases of operations, projecting and sustaining power in other theaters, denying our enemies sanctuary, leveraging IT, improving and protecting information operations, and enhancing space operations. In addition, the committee supports the Department's initiative to attain these objectives by implementing network-centric activities and programs. However, the committee is highly concerned that the Department does not have proper oversight and accountability for these systems and programs. Therefore, multiple systems exist that perform the same or similar tasks, new systems are not given realistic schedules to meet identified requirements, and IT investments are not given enough scrutiny to determine if costs justify the project.

While the committee commends the Department for attempting to phase-out its legacy systems and modernize by creating joint-IT systems that would serve more than one agency or military department, the committee is concerned about the growth in the operations and maintenance budget with particular programs—specially since the Department is in the midst of planning for new IT systems that would perform the same functions with new capabilities. The committee strongly believes that the Department must exercise dynamic leadership and fiscal oversight into all IT programs, systems, and policies. Therefore, the committee recommends reductions in the following programs:

[In millions of dollars]

Army Knowledge Management	20.0
Army Guardnet	40.0
Navy Military Manpower/Personnel Systems	4.3
Navy Reserve Integrated Military Personnel Management	2.3
Navy Military Personnel Distribution System	5.0
Other Navy Military Manpower/Personnel	30.0
Navy Marine Corps Intranet (NMCI)	160.0
Air Force Reserve Base Level Communications	9.0
National Imagery and Mapping Agency, Archive and Dissemination Systems	10.0
National Imagery and Mapping Agency, Production Information Systems Support	10.0

Defense Health Programs	25.0
Defense Security Service Case Control Management	4.0

Nationwide Dedicated Fiber Optic Network (NDFON)

The budget request contained no funding for the Nationwide Dedicated Fiber Optic Network (NDFON) for the national guard.

While some policy questions regarding the precise role of the national guard for homeland defense and homeland security missions remain unresolved, there is no doubt that national guard armories throughout the nation must be serviced with a robust communications backbone to allow rapid, coordinated responses to potential incidents.

Since the committee understands that NDFON will fit into the architecture of the Global Information Grid, the committee recommends an increase of $5.0 million in operation and maintenance for the Army National Guard to complete engineering studies for the NDFON program.

OTHER ISSUES

Budget Justification Exhibit Materials

The committee notes that the quality of the budget exhibits differ widely from one service to another despite the existence of guidelines and regulations that prescribe requirements for the preparation of budget materials. In addition, the committee understands that all budget materials are due to the committee within 30 days of the budget request. This year, in all but the case of one service, three services and the Office of the Secretary of Defense submitted budget materials well beyond 60 days after the submission of the budget request. It is also important to note that the Office of the Secretary of Defense's Operation and Maintenance Overview was the last exhibit delivered to the committee on April 24, 2003. The committee directs the Office of the Secretary of Defense (Comptroller) to provide a complete list of all budget exhibits and their expected delivery dates to the committee by December 15, 2003.

With regard to the Department's operation and maintenance overview, the committee notes that parts of this overview are redundant. Specifically, the appropriation highlights should be a summary of the key changes of each service instead of a simple listing of every change in the budget. The detailed changes are already listed in each of the budget exhibits provided by the services. The committee encourages the Office of the Secretary of Defense (Comptroller) to use the overview exhibit to convey overarching trends that outline program changes for each of the services.

The committee directs the Office of the Secretary of Defense (Comptroller) and the service's assistant secretaries of financial management to include in the submitted budget justification material the baseline costs of programs where program change is identified and explained. To assess the merit of program growth, the committee must have not only an explanation for the changes but the ability to review and evaluate the significance and relativity of the highlighted changes.

The committee notes that the performance criteria and evaluation summaries provided in the budget exhibits often fail at providing measurable performance metrics. In many cases, this part

of the budget exhibit has become a simple accounting report of the number of systems currently being used. The committee directs the Office of the Secretary of Defense (Comptroller) and the service's assistant secretaries of financial management to review performance criteria in their respective operations and maintenance budget exhibits and ensure that measurable metrics are developed for the fiscal year 2005 budget. Specifically, the committee requests that summary analysis is provided explaining each criterion and how the service is performing against that criterion. Furthermore, the committee directs the Office of the Secretary of Defense (Comptroller) and the service's assistant secretaries of financial management to provide a report that outlines the current performance criteria and the proposed changes by subactivity group to the committee by September 12, 2003.

The committee is concerned that the reporting of civilian personnel budgets continues to be either overstated or understated in the budget exhibits. Accordingly, the committee directs the Office of the Secretary of Defense (Comptroller) and the service's assistant secretaries of financial management to develop and include in the fiscal year 2005 budget exhibits an average salary cost for each subactivity group as a component of the personnel summary.

The committee is troubled by the continued growth in the other costs and other contracts' line items in the service's summary of price and growth exhibit. The committee directs the Office of the Secretary of Defense (Comptroller) and the service's assistant secretaries of financial management to provide a detailed listing of all the component costs of these two existing line items to the committee by October 21, 2003. The committee also notes some services do not list the foreign currency costs associated with each of the subactivity group budget exhibits. The committee directs the Department's assistant secretaries of financial management to ensure that these costs are correctly displayed in the fiscal year 2005 budget exhibits.

The committee notes that there is not uniformity among the service's summary of increases and decreases. The committee directs the Office of the Secretary of Defense (Comptroller) and the service's assistant secretaries of financial management to ensure each specific program change is listed by the required category for the summary of increases and decreases in the fiscal year 2005 budget exhibits.

Finally, the committee directs the Office of the Secretary of Defense (Comptroller) and the service's assistant secretaries of financial management to ensure that program transfers from one subactivity group to another or transfers from one appropriation to another be listed in the transfer portion of reconciliation of increases and decreases section for each subactivity group. Currently, many of these transfers are included in program changes and artificially influence the reconciliation of program increases or decreases.

Cash Management

The Navy Working Capital Fund budget justification material shows that the Navy plans to transfer $448 million from the working capital fund to the operation and maintenance account in fiscal year 2004. The Navy plans on using this excess cash to finance the operation and maintenance requirements. Funding defense ac-

counts from excess working capital fund cash removes direct congressional oversight and decision-making. Furthermore, the Navy does not state what it plans on using the $448 million for in its budget. This is not a new issue. This committee raised similar concerns 10 years ago when it discussed this issue in its fiscal year 1993 committee report.

The committee also noted that the Army, Navy, and Air Force working capital fund budget justification materials provide information on cash management. This information includes beginning cash balances, disbursements, collections, transfers, and ending cash balances. This information enables the committee to perform its oversight responsibilities. However, the DOD-wide working capital fund does not provide any information on cash management even though the DOD-wide working capital fund incurs about $25 billion of expenses each year. The committee directs the Office of the Secretary of Defense (Comptroller) to provide a cash management exhibit in the fiscal year 2005 defense-wide working capital fund budget justification material similar to the format provided by the Army, Navy, and Air Force. In addition, the committee requests the Office of the Secretary of Defense (Comptroller) and the service's assistant secretaries of financial management update their respective cash management budget exhibits by November 3, 2003 to reflect the status as of the end of fiscal year 2003.

Depot Maintenance Long-Term Strategy

The committee understands that the Department of Defense has taken initial steps to develop a long term public sector depot maintenance strategic plan. This initiative is critical and the committee encourages the Secretary of Defense to continue its review. This review should include an evaluation of future workload, to include workload projections through fiscal year 2009, and how the Department of Defense shall maintain a core logistics capability to perform the workload. The review should also contain a workforce revitalization plan in light of the size of the retirement-eligible workforce.

The committee directs the Secretary of Defense to submit this report no later than November 1, 2004, to the House Committee on Armed Services and the Senate Committee on Armed Services.

The Comptroller General shall evaluate this report and provide comments and analysis to the House Committee on Armed Services and the Senate Committee on Armed Services no later than 90 days after the Secretary of Defense submits the report.

Expansion of Export Control Database

The committee recommends an increase of $1.4 million to the Defense Threat Reduction Agency for the expansion of an export control database. The funds should be used to strengthen and expand the existing federal effort to help foreign governments improve their export control performance through an export control database currently used by some 16 countries in Eastern Europe and the former Soviet Union.

Specifically, the increase of funds should be made available to continue existing subscriptions of the export control database for foreign countries through 2006, supply the database to additional

countries and provide education and training for its use, and perform related research and public education initiatives on export control policy. It would also enhance the quality and utility of the database by expanding its coverage of weapons of mass destruction information, focusing more on terrorism threats, and producing a secure intranet version of the database to encourage countries to share information more readily.

Facility Sustainment, Renovation and Modernization

The Department of Defense (DOD) has established a goal of funding facility sustainment at 93 percent of the requirements. However, in order to achieve this level of facility sustainment resourcing, the services have decremented renovation and modernization programs dramatically. Throughout DOD, existing facilities and infrastructure continue to fail to meet applicable industry standards for recapitalization. This practice exacerbates mission and quality of life deficiencies in the short-term and creates a more extensive backlog of required facility maintenance in the long-term. Moreover, the committee has concerns about the Defense Facilities Strategic Plan currently being used by DOD. In a recent General Accounting Office report on defense infrastructure (February 2003), several concerns were highlighted ranging from the lack of consistency in the services' information on facilities, to the wide latitude the services have to assess facility conditions, to the funding controls placed on the resources allocated for facility sustainment, renovation and modernization. Given the importance of this effort, the committee directs that the Secretary of Defense provide a report to the Senate Committee on Armed Services and the House Committee on Armed Services on how DOD intends to address the issues outlined in the General Accounting Office report no later than the end of the first quarter of fiscal year 2004.

Foreign Currency Accounts

The committee encourages the Department to use more realistic foreign currency rate projections in future budgets as year of execution challenges are known to exist that have had an unfavorable impact on service budgets. The committee directs the Office of Secretary of Defense (Comptroller) to submit a report by October 1, 2004, outlining the procedure and process used to establish the annual foreign currency rates.

Maintaining the Strategic Domestic Beryllium Supply

The committee is aware that the domestic supply of the strategic and critical metal beryllium is in danger of being depleted. Metallic beryllium is used extensively in DOD weapons systems, DOE strategic nuclear applications and several critical civilian applications. Moreover, the only domestic producer of metal beryllium has closed its primary metal production plant because of obsolescence. Therefore, the committee directs that the DOD conduct an in-depth study of the beryllium supply issue and make recommendations regarding how future access to beryllium could be assured. The study should include recommendations regarding how industry might modernize capacities for the primary production of beryllium and consider innovative means to partner with industry to solve this

critical issue. Recommendations may include, but not be limited to, use of funding under the Defense Production Act, Title III, and judicious use of the National Defense Stockpile. The Department will submit a report containing the conclusions and recommendations of the study to the Senate Committee on Armed Services and the House Committee on Armed Services not later than March 1, 2004.

Ship Intermediate and Depot Maintenance Funding

The Navy intends to stop distinguishing between intermediate and depot maintenance costs in the budget materials. The committee believes it is important to understand the costs associated with each type of work and, therefore, directs the Secretary of Navy to continue to distinguish the costs associated with intermediate maintenance and depot maintenance for ships and to continue to maintain separate sub-activity groups in the budget justification material.

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Section 301—Operation and Maintenance Funding

This section would authorize $114.0 billion in operations and maintenance funding for the Armed Forces and other activities of the Department of Defense.

Section 302—Working Capital Funds

This section would authorize $2.8 billion for working capital funds of the Department of Defense.

Section 303—Other Department of Defense Programs

This section would authorize $15.3 billion for the Defense Health Program, of which $14.9 billion is for operations and maintenance funding; $65.8 million is for research, development, test and evaluation funding, and $327.8 million is for procurement.

This section would also authorize $1.58 billion for Chemical Agents and Munitions Destruction, of which $1.25 billion is for operations and maintenance funding, $251.9 million is for research, development, test, and evaluation funding, and $79.2 million is for procurement funding. Funding for military construction related to this program is authorized in defense-wide military construction.

This section would also authorize $817.4 million for the defense-wide drug interdiction and counter-drug activities.

This section would also authorize $162.4 million for the Defense Inspector General.

SUBTITLE B—ENVIRONMENTAL PROVISIONS

Section 311—Reauthorization and Modification of Title I of Sikes Act

This section would amend section 670f of title 16, United States Code, to reauthorize section 108 of the Sikes Act, (Public Law 86–797), by striking "fiscal years 1998 through 2003" and in each place it appears inserting "fiscal years 2004 through 2008." This section

expresses the Sense of Congress regarding the Department's practice of outsourcing the functions of natural resource managers on its military installations. This section further requires creation of a five-year pilot program for invasive species management for military installations on Guam.

Section 312—Authorization for Defense Participation in Wetland Mitigation Banks

This section would amend Chapter 159 of title 10, United States Code, to permit the secretaries of the military departments to participate in wetland mitigation banking programs and consolidated user sites ("in-lieu-fee" programs) as an alternative to creating a wetland for mitigation on federal property for construction projects.

Section 313—Inclusion of Environmental Response Equipment and Services in Navy Definitions of Salvage Facilities and Salvage Services

This section would amend sections 7361 and 7363 of title 10, United States Code, to clarify the Secretary of the Navy's authority to provide salvage facilities and to assert claims for salvage services encompassing environmental response equipment and activities.

Section 314—Clarification of Department of Defense Response to Environmental Emergencies

This section would amend sections 402, 404 and 2561(a) of title 10, United States Code, to clarify the discretionary authority of the Secretary of Defense to respond to environmental emergencies by providing humanitarian assistance, including the authority to transport supplies or provide assistance intended for use to respond to or mitigate the effects of an event such as an oil spill that threatens serious harm to the environment.

Section 315—Requirements for Restoration Advisory Boards and Exemption from Federal Advisory Committee Act

This section would amend section 2705(d)(2) of title 10, United States Code, to amend the regulations relating to the establishment, characteristics, composition, and funding of Restoration Advisory Boards and to exempt Restoration Advisory Boards from application of the Federal Advisory Committee Act, (5 U.S.C. App.).

Section 316—Report Regarding Impact of Civilian Community Encroachment and Certain Legal Requirements on Military Installations and Ranges

This section would require the Secretary of Defense to study and provide a one-time report to Congress regarding the impact of civilian community encroachment on the readiness requirements and normal operations at military installations that are required to maintain safety buffer zones or safety arcs as part of their functional mission activities. The report would also include results of a study on the impact on activities at military installations and operational ranges, if any, due to compliance by the Department with State Implementation Plans for air quality under section 110

of the Clean Air Act (42 U.S.C. 7410), the Solid Waste Disposal Act (42 U.S.C. 6901), and the Comprehensive Environmental Restoration, Compensation and Liability Act (42 U.S.C. 9601).

Section 317—Military Readiness and Conservation of Protected Species

This section would amend the Endangered Species Act of 1973 (Public Law 93–205) at section 1533 of title 16 United States Code, to provide that the Secretary of the Interior, after making a determination that a species is endangered or threatened, would make future designations or revise existing designations of critical habitat to the maximum extent necessary. This section would prohibit further designations of critical habitat for endangered species in areas for which an Integrated Natural Resources Management Plan has been prepared under section 101 of the Sikes Act (Public Law 86–797). This section would also require regulatory agencies to consider national security concerns in addition to economic impact prior to designating future areas of critical habitat. This section would not annul existing critical habitat designations, but it would permit the Secretary of the Interior to exercise discretion to revise existing critical habitat designations on military installations. No existing critical habitat can be revised, however, if such action would result in the extinction of an endangered or threatened species.

Section 318—Military Readiness and Marine Mammal Protection

This section would amend the Marine Mammal Protection Act of 1972 (Public Law 92–522) at sections 1362 and 1371 of title 16 United States Code, by clarifying the definition of "harassment." The new definition would provide greater clarity and notice regarding the application of the Marine Mammal Protection Act to Department of Defense activities, especially military readiness activities.

The new definition reflects the position of the National Research Council (NRC). In a report published in 2000, the NRC stated that there was no valid reason for regulating minor changes in behavior having no significant impact on the viability of the marine mammal stock. Rather, regulation of marine mammal behavior should be focused on minimizing injury and biologically significant disruptions to behavior critical to survival and reproduction.

The new definition follows the NRC report by requiring that Level A harassment, related to injury, involve "any act that injures or has the significant potential to injure" a marine mammal. Likewise, for Level B harassment, related to changes in behavior, the new definition would cover an action that "disturbs or is likely to disturb" a marine mammal by causing disruptions of biologically important behaviors related to survival and reproduction "to a point where such behavioral patterns are abandoned or significantly altered."

This section creates an exemption that would allow the Secretary of Defense, after conferring with the Secretary of Commerce, the Secretary of the Interior, or both, as appropriate, to exempt the Department of Defense's military readiness activities from the requirements of the Marine Mammal Protection Act when necessary

for national defense for up to two years with renewable two-year periods of exemption.

This section cures deficiencies that currently exist when the 'small take' authorization provisions of the Marine Mammal Protection Act are applied to military readiness and other activities. This section eliminates the "specified geographic regions" and "small numbers" requirements and would focus impact determinations on a scientifically based "negligible impacts" standard. The underlying rulemaking process would still analyze the impacts and scope of military readiness and other activities.

The committee believes that the deletion of "specified geographical regions" and "small numbers" requirements from the Marine Mammal Protection Act affect the current regulatory definition of "specified activity," set forth in 50 CFR 216.103, and would require revision to ensure consistency with the Marine Mammal Protection Act as amended.

This section also amends the requirements of the Marine Mammal Protection Act concerning public notice for the 'small take' authorization process. For military readiness activities only, public notice will be limited to the Federal Register. In referring to military readiness activities, the committee means those activities as defined in section 315(f) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314), see also title 16 United States Code 703 note. A requirement for public notice in local papers could compromise national security and thus would be eliminated. References in the section to military readiness activities "authorized by the Secretary of Defense" do not require a specific authorization of each activity by the Secretary of Defense and do not prohibit the Secretary of Defense from delegating such authority. Finally, none of these changes requires the public disclosure of classified information under any circumstances.

Section 319—Limitation on Department of Defense Responsibility for Civilian Water Consumption Impacts Related to Fort Huachuca, Arizona

This section would amend section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536) in the case of Fort Huachuca, Arizona. Novel application of the Endangered Species Act is having unintended consequences on Fort Huachuca's readiness and training activities due to efforts of third parties to hold the installation accountable for water usage in the surrounding community over which it has no authority and control. This section clarifies that the Secretary of the Army cannot be held responsible under the Endangered Species Act for water consumption that occurs outside of the Fort and is beyond the direct authority and control of the Secretary of the Army.

This section specifies that the Secretary of the Army may voluntarily undertake efforts to mitigate water consumption related to Fort Huachuca.

Section 320—Construction of Wetland Crossings, Camp Shelby Combined Arms Maneuver Area, Camp Shelby, Mississippi

This section would authorize the Secretary of the Army to use operation and maintenance funds to construct wetlands crossings

at Camp Shelby, Mississippi. Although current law permits the use of up to $750,000 in operation and maintenance funds for military construction activities, the cost of providing sufficient crossing sites at Camp Shelby to ensure that training is conducted with the spirit and intent of environmental laws would exceed this statutory cap.

SUBTITLE C—WORKPLACE AND DEPOT ISSUES

Section 321—Exclusion of Certain Expenditures from Percentage Limitation on Contracting for Performance of Depot-Level Maintenance and Repair Workloads

Currently, section 2474(f) of title 10, United States Code, excludes work performed by non-federal personnel at Department of Defense maintenance and repair depots from the percentage limitations (50/50) on contracting for depot-level maintenance by the private sector. The exclusion applies for the duration of all public-private partnership depot maintenance contracts that are signed before the end of fiscal year 2006. This section would remove the date limitation. The committee believes that the date limitation impedes the ability of both the public and the private sectors to achieve fully the benefits of public-private partnerships.

Section 322—High-Performing Organization Business Process Reengineering Pilot Program

This section would authorize the Secretary of Defense to implement a pilot program whereby Department of Defense organizations are incentivized to follow a business process re-engineering initiative in order to become a high performing organization. Under the pilot program, functions within an organization that are part of a BPR, shall not undergo a public-private competition during the design and implementation phase of the BPR. After a BPR is completed, those functions shall not undergo a public-private competition for a period of five years.

Business process redesign, or business process re-engineering, (BPR) is an organization's analysis and redesign of existing business processes to achieve improvements in performance measures. Business processes may include: developing a new product, repairing aircraft engines, processing and paying a vendor. The committee believes that a BPR is more than downsizing, automating, or realigning, rather, it is fundamental reshaping of the way work is done by a given organization. Within the Department of Defense, therefore, a BPR would require an analysis of core and non-core functions. The committee notes that significant obstacles, including lack of sustained commitment and leadership, lack of incentive, unrealistic scope and expectations, and resistance to change, may hinder or cause to fail numerous attempts at a BPR. The committee is aware that Naval Surface Warfare Center, Crane Division, underwent a successful BPR; and the committee recommends that this facility be considered for the pilot program.

Section 323—Delayed Implementation of Office of Revised Management and Budget Circular A–76 by Department of Defense Pending Report

This section would require the Secretary of Defense to report to the Senate Committee on Armed Services and the House Committee on Armed Services on the new Office of Management and Budget Circular A–76 and then wait for a period of 45 days before implementing the Circular.

Section 324—Naval Aviation Depots Multi-Trades Demonstration Project

This section would require the Secretary of Navy to conduct a demonstration project to evaluate the benefits of promoting workers who perform multiple trades. Wage grade journeymen at any of the three naval aviation depots can qualify to learn an additional trade and be rewarded with a one-grade promotion. The section explains that the worker must use the new trades at least 25 percent of the time during the worker's work week.

SUBTITLE D—INFORMATION TECHNOLOGY

Section 331—Performance-based and Results-based Management Requirements for Chief Information Officers of Department of Defense

This section would amend section 2223(b) of title 10, United States Code, to give the Chief Information Officers (CIO) of the Department of Defense (DOD), military departments, defense agencies, and field activities more responsibility and accountability to review their individual agency's information technology (IT) programs, projects, and systems. The committee expects CIOs throughout the Department to have more input and oversight into their respective agency's IT programs and policies, focusing on results and ensuring that IT investments make their agencies more innovative, efficient, and responsive.

SUBTITLE E—OTHER MATTERS

Section 341—Cataloging and Standardization for Defense Supply Management

This section would amend the current method the Secretary of Defense follows in the cataloging and coding, for identification purposes, of supply items. Pursuant to chapter 145 of title 10, United States Code, the Secretary of Defense cataloged supply items with a national stock number (NSN). An NSN is a Department of Defense unique combination of letters and numbers used to identify a supply part. Commercial practices, however, dictate that the Secretary of Defense should adopt commercially accepted universal codes for such supply items, rather than dictating a DOD unique code. The committee recognizes that this is a change to long existing practice within the Department and therefore recommends a thorough transition and training plan be developed and disseminated to all appropriate organizations before making such changes. The committee also encourages the Secretary of Defense to work closely with industry in the adoption of universal supply codes.

This section would amend section 2451 of title 10, United States Code, and repeal sections 2452, 2453, and 2455 of title 10, United States Code, in order to provide the Secretary of Defense a considerable level of flexibility in the adoption of commercially available and universally accepted codes for supply items.

Section 342—Space-Available Transportation for Dependents of Members Assigned to Overseas Duty Locations for Continuous Period in Excess of One Year.

This provision would authorize the dependents of service members who are assigned overseas for a continuous period in excess of one year, to use space-available transportation to travel between the overseas duty location and the United States and return, or between the overseas duty location and another overseas location and return.

Section 343—Preservation of Military Weather Reconnaissance Mission

This section would prohibit the Secretary of Defense from transferring, discontinuing, or disestablishing the weather reconnaissance mission, currently performed within the Air Force Reserve, unless another organization has the ability to perform that mission as it is currently performed.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Overview

The committee's military personnel recommendations build not only on the emerging lessons learned from both the global war on terrorism and the war with Iraq, known as Operation Iraqi Freedom, but also on long-standing committee concerns about the inadequacy of military manpower for the missions assigned to both the active and reserve components.

The inadequacy of military manpower, especially active component strengths, is highlighted in a number of areas. For example, since 1995, the peacetime demands of the national military strategy have exceeded the ability of the active components to such an extent that reserve component personnel, in numbers equivalent to 33,000 full-time active duty personnel, are required to be ordered to active duty annually.

As a further indicator of active duty manpower inadequacy, the military services ended fiscal year 2002 with 24,500 personnel in excess of the strengths requested by the Department of Defense and authorized by Congress. More recently, at the time of the budget submission for fiscal year 2004, the services were projecting they would end fiscal year 2003 with active component strengths that exceeded authorized levels by 28,000, some 2 percent to 7.1 percent above authorized levels, depending on the service.

The global war on terrorism has expanded existing manpower requirements and added a host of new ones, especially those related to homeland security. To meet those requirements, the services mobilized more than 100,000 reservists, many on short notice for up

to one year, with thousands required to serve for up to two years because the active component lacks the qualified manpower. In light of the global war on terrorism and changes to the national security strategy, each of the military services undertook efforts to quantify total force (active, national guard and reserve) requirements. Each service found significant manpower shortfalls. The Army estimated the shortfall to be at least 41,000 and as much as 123,000. The Air Force estimated a shortfall ranging from 31,000 to 52,000. The Marine Corps estimated its shortfall to be about 15,000, and the Navy identified a shortfall of about 4,500.

Notwithstanding the unequivocal evidence of manpower shortfalls, the Secretary of Defense has promulgated a so-called "net-zero" policy. This policy holds that military end strength should not increase beyond the fiscal year 2002 authorized levels, and that any new military manpower requirements should be met by the conversion of military and civilian spaces in lower priority units and missions to fill higher priority requirements.

While the committee supports the Secretary's effort to require the services to re-examine their manpower requirements, the committee notes that any conversion of military spaces will be a costly multi-year effort, and that the fiscal year 2004 budget request provides little in the way of additional resources to the services for military manpower conversions. Furthermore, the committee understands that the services have identified high priority manning requirements that should be met quickly, including increases in special operating forces, intelligence, communications, military police, force protection personnel, and other skills important to conducting the global war on terrorism. However, the committee is disturbed to learn that rather than being provided additional resources to cover these high priority manpower requirements, the Army and Air Force were directed to fund new special operations force requirements from existing manpower and resource levels over the course of the six years of the future years' defense budgets. The committee also is surprised to learn that among the $831.0 million in unfunded military personnel requirements for fiscal year 2004 identified by the Chief of Naval Operations, were the costs of adding to the active components some 3,800 Naval Coastal Warfare unit personnel who are now in the Naval Reserve.

Given all this, the committee believes that it is imperative to now begin addressing known manpower shortfalls. To that end, the committee's recommendation would increase active component end strength by 6,240 above the requested levels.

ITEM OF SPECIAL INTEREST

Military Manpower Reductions

In light of the committee's belief that there are unequivocal shortfalls in military manpower, the committee is disturbed to see the Navy's proposal in the budget request to begin reducing active end strength in fiscal year 2004 in direct contravention of the statutory end strength floors. The committee's recommendations contained in this title reject the Navy proposal and reaffirm the committee's long-held belief in the need for a larger military force in all the military services. Given this, the committee is highly concerned that within the Department of Defense, consideration may

already be developing for the fiscal year 2005 budget request for further substantial reductions to active and reserve component military manpower, not only in the Navy, but also in the other military services. The basis for such considerations appear to be early lessons learned from recent combat operations in Afghanistan and Iraq that significant force structure reductions, with concurrent manpower reductions, can be made.

The committee believes that such conclusions are premature, if for no other reason than the certainty that both the ongoing Operation Enduring Freedom in Afghanistan and the continuing Operation Iraqi Freedom will require the commitment of tens of thousands of U.S. military personnel—some early estimates suggest more than 125,000 for Iraq alone—for the foreseeable future. Beyond that, the committee believes that dynamic, unpredictable challenges will present themselves in other regions of the world that will require the commitment of U.S. military resources. Thus, considering today's existing military force levels, with no certainty about the end of current requirements, and the near certainty of a growth in new requirements, the committee is forced to conclude that reductions to military manpower would ultimately damage the long-term ability of the military forces to meet the full range of missions assigned them by the national security strategy. For these reasons, the committee strongly urges the Secretary of Defense and the Chairman of the Joint Chiefs of Staff to fully consult with the committee before undertaking any reductions to manpower levels authorized by Congress.

LEGISLATIVE PROVISIONS

Subtitle A—Active Forces

Section 401—End Strengths for Active Forces

This section would authorize the following end strengths for active duty personnel of the armed forces as of September 30, 2004.

Service	FY 2003 authorized and floor	FY 2004		Change from	
		Request	Committee recommendation	FY 2004 request	FY 2003 authorized
Army	480,000	480,000	482,375	2,375	2,375
Navy	375,700	373,800	375,700	1,900	0
USMC	175,000	175,000	175,000	0	0
Air Force	359,000	359,300	361,268	1,968	2,268
DOD	1,389,700	1,388,100	1,394,343	6,243	4,643

The Army increases reflect the committee's support for the results of a Total Army Analysis that identified more than 6,000 active Army requirements in special operations, chemical, signal, military police and other priority needs. The Navy increase reflects the committee's opposition to the fiscal year 2004 budget request that proposed to reduce Navy end strength 1,900 below the statutory floor, as well as the committee's belief that the Navy should begin aggressively addressing known shortfalls in active strength related to unfilled requirements for Naval Coastal Warfare units. The increased Air Force strength follows from the committee's support for growth in Air Force special operations forces and in high priority Air Force manpower needs in such specialties as airborne

refueling, combat control, airborne systems maintenance, loadmaster, flight engineer, security forces, aerial port logistics, intelligence exploitation and analysis, and firefighters. To support the increases in active end strengths, the committee recommends an additional $291.3 million for the military personnel accounts of the military services above the amounts requested in the budget.

Section 402—Revision in Permanent Active Duty End Strength Minimum Levels

This section would establish new permanent minimum end strengths for active duty personnel of the Army, Navy and Air Force as of September 30, 2004. These minimum strengths reflect the committee recommendations for active end strength shown in section 401.

SUBTITLE B—RESERVE FORCES

Section 411—End Strengths for Selected Reserve

This section would authorize the following end strengths for selected reserve personnel, including the end strength for reserves on active duty in support of the reserves, as of September 30, 2004:

Service	FY 2003 authorized	FY 2004		Change from	
		Request	Committee recommendation	FY 2004 request	FY 2003 authorized
Army National Guard	350,000	350,000	350,000	0	0
Army Reserve	205,000	205,000	205,000	0	0
Naval Reserve	87,800	85,900	85,900	0	−1,900
Marine Corps Reserve	39,558	39,600	39,600	0	42
Air National Guard	106,600	107,000	107,000	0	400
Air Force Reserve	75,600	75,800	75,800	0	200
DOD Total	864,558	863,300	863,300	0	−1,258
Coast Guard Reserve	9,000	10,000	10,000	0	1,000

Section 412—End Strengths for Reserves on Active Duty in Support of the Reserves

This section would authorize the following end strengths for reserves on active duty in support of the reserves as of September 30, 2004:

Service	FY 2003 authorized	FY 2004		Change from	
		Request	Committee recommendation	FY 2004 request	FY 2003 authorized
Army National Guard	24,562	25,386	25,386	0	824
Army Reserve	14,070	14,374	14,374	0	304
Naval Reserve	14,572	14,384	14,384	0	−188
Marine Corps Reserve	2,261	2,261	2,261	0	0
Air National Guard	11,727	12,140	12,140	0	413
Air Force Reserve	1,498	1,660	1,660	0	162
DOD Total	68,690	70,205	70,205	0	1515

The committee recommendation would provide for a 2.2 percent growth in the strength of these full-time reservists above the levels authorized in fiscal year 2003.

Section 413—End Strengths for Military Technicians (Dual Status)

This section would authorize the following end strengths for military technicians (dual status) as of September 30, 2004:

Service	FY 2003 authorized	FY 2004		Change from	
		Request	Committee recommendation	FY 2004 request	FY 2003 authorized
Army National Guard	24,102	24,589	24,589	0	487
Army Reserve	6,599	6,699	7,844	1,145	1,245
Air National Guard	22,495	22,806	22,806	0	311
Air Force Reserve	9,911	9,991	9,991	0	80
DOD Total	63,107	64,085	65,230	1,145	2,123

The committee's recommendation would provide for a 3.4 percent growth in the strength of military technicians above the levels authorized in fiscal year 2003.

Section 414—Fiscal Year 2004 Limitation on Non-Dual Status Technicians

This section would establish the maximum end strengths for the reserve components of the Army and Air Force for non-dual status technicians as of September 30, 2004.

Section 415—Permanent Limitations on Number of Non-Dual Status Technicians

This section would increase to 595 the permanent limit on the number of non-dual status military technicians who are allowed to be employed by the Army Reserve on or after October 1, 2007. It would also establish a separate permanent limit of 90 non-dual status technicians who are allowed to be employed by the Air Force Reserve on or after October 1, 2007. The committee recommends this increase from the current combined limit of 170 for both the Army Reserve and Air Force Reserve as a necessary follow-on to previous changes in law in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398), that revised the mandatory separation age for certain non-dual status technicians from 55 to 60.

SUBTITLE C—AUTHORIZATION OF APPROPRIATIONS

Section 421—Military Personnel

This section would authorize $98.94 billion to be appropriated for military personnel. This authorization of appropriations reflects both reductions and increases to the budget request for military personnel that are itemized below.

Total Force: Military Personnel	*Amount (in millions)*
Army: Increase active end strength (2,375)	117,967,000
Army National Guard: Sustain AGR growth	27,417,000
Navy: Increase active end strength (1,900)	98,000,000
Air Force: Increase active end strength (1,968)	75,300,000
Army: End of certain SW Asia contingency operations	−74,200,000
Navy: End of certain SW Asia contingency operations	−1,200,000
Naval Reserve: End of certain SW Asia contingency operations	−800,000
Marine Corps: End of certain SW Asia contingency operations	−500,000
Air Force: End of certain SW Asia contingency operations	−241,984,000

Total Force: Military Personnel	*Amount (in millions)*
Offset O&M increase for Army National Guard military technicians	−16,000,000
Offset O&M increases in Defense Health Program	−1,554,000

Section 422—Armed Forces Retirement Home

This section would authorize $65,279,000 to be appropriated for the operation of the Armed Forces Retirement Home during fiscal year 2004.

TITLE V—MILITARY PERSONNEL POLICY

OVERVIEW

The committee recommendations contained in this title build on emerging lessons learned from not only the global war on terrorism, but also the war with Iraq. To that end, the committee recommends important changes to reserve component personnel policy, including a simplified, more flexible system for measuring a reservist's annual training requirements. The committee also recommends that the process for managing and compensating personnel experiencing extended or frequent deployments be restructured to make it a more useful and cost-effective tool.

ITEMS OF SPECIAL INTEREST

Department of Defense Education Partnerships

The committee continues to believe that the use of web-based technology is essential to both the retention and recruitment of military personnel for the armed forces. The committee support for such web-based technology efforts is reflected in the statement of the managers in title V of the conference report for the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (H. Rept. 107–772). That report encouraged the Department of Defense to foster web-based technology partnerships with high schools and institutions of higher learning. In that context, the committee is especially pleased with the initiative of the United States Recruiting Command to work with a national consortium of high schools and institutions of higher education to facilitate the enrollment and transfer of students with full recognition of credits among two-year and four-year institutions of higher education. If implemented, the committee believes such a partnership may assist Army recruiting and retention, while enhancing higher education opportunities for Army personnel.

Department of Defense Overseas Schools Teacher Recruitment Incentives

The committee is concerned that United States citizens recruited from an overseas location to teach in Department of Defense (DOD) overseas schools are not provided the same allowances as American citizen teachers recruited in the United States. The committee is aware, based on the General Accounting Office report entitled, "DOD Overseas Schools—Compensation Adequate for Recruiting and Retaining Well-Qualified Teachers," as directed by the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), that differences can arise because allowances are used as

recruitment incentives. The committee also understands that both the Secretary of Defense and the Secretary of State share the authority for prescribing regulations governing allowances for the overseas teachers. To ensure that the recruitment incentives do not place United States citizens recruited overseas at an undue disadvantage compared to U.S. citizens recruited in the United States, the committee directs the Secretary of Defense, in coordination with the Secretary of State, to review the allowances and recruitment incentive practices and report the findings to the Senate Committee on Armed Services and House Committee on Armed Services no later than April 15, 2004.

Electronic Voting Demonstration

The committee remains committed to ensuring that the 2004 electronic voting demonstration project authorized in section 1604 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) is robust, technologically advanced, and statistically significant. The committee strongly believes that electronic voting systems are the best way to overcome the long-standing problems associated with military absentee voting and guarantee military voting rights in the future. The committee urges the Secretary of Defense to closely monitor preparation for the demonstration project and to commit the resources that are needed to make the project a success.

Federal Write-In Absentee Ballot

The committee has noted that military commanders have not effectively emphasized the use of the Federal Write-In Absentee Ballot (FWAB) for military voters who have not received their local election ballots in a timely manner. The committee believes that military voters have been denied a valuable tool that can provide the opportunity to vote while assigned to the most austere locations when they otherwise would be denied the right to vote because of mail delays or administrative problems. The committee urges the Secretary of Defense and the secretaries of the military departments to initiate programs to educate commanders, service voting officials, service members, and their family members about the availability and appropriate use of the FWAB. For example, the committee believes that all deploying units should consider the timing of future elections and ensure that an adequate supply of Federal Write-In Absentee Ballots is available during the deployment.

Joint Advertising and Market Research

The committee believes that the Department of Defense has an important corporate-level role to play in complementing the recruiting advertising programs of the individual services. In that light, the committee commends the Department's joint advertising and market research reinvention effort, believing the program will have a direct, positive long-term impact on the ability of the Department and the military services to recruit quality personnel. Reflecting its belief in the Department's joint advertising and market research effort, the committee worked to sustain funding for the program in the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314). The committee notes with dismay,

however, that the Department's budget request for fiscal year 2004 contains only minimal funding for the joint advertising and market research program, leaving a shortfall of some $41.5 million. Such a one-year reduction is not justified, and the committee strongly urges the Department to fully fund this important program through reprogramming at the earliest opportunity.

Warrant Officer Appointments for the Army National Guard

The committee has noted that the Army National Guard has not been able to fill all warrant officer vacancies. The committee is concerned that many qualified senior noncommissioned officers within the Army National Guard are being overlooked for warrant officer appointments. The committee believes that the Army National Guard has adequate educational institutions and resources to prepare noncommissioned officers for appointment as warrant officers. However, the Army has only one appointment source for warrant officers and the capability of the Army National Guard to prepare noncommissioned officers for warrant officer appointment is not utilized. The committee recommends that the Secretary of the Army review the process for appointing warrant officers and consider authorizing the Army National Guard to make warrant officer appointments.

LEGISLATIVE PROVISIONS

SUBTITLE A—GENERAL AND FLAG OFFICER MATTERS

Section 501—Standardization of Qualifications for Appointment as Service Chief

This section would require that candidates for selection as the Chief of Naval Operations and the Commandant of the Marine Corps be chosen from the flag officers of the Navy or general officers of the Marine Corps. Current law specifies that candidates for the position of Chief of Naval Operations be chosen from among active duty officers who, among other qualifications, hold the grade of rear admiral (O–8) or above, and that candidates for the position of Commandant of the Marine Corps be chosen from among active duty officers in the grade of colonel (O–6) or above. The committee recommendation would make qualification criteria with respect to grade consistent across all four of the military services.

SUBTITLE B—OTHER OFFICER PERSONNEL POLICY MATTERS

Section 511—Repeal of Prohibition on Transfer Between Line of the Navy and Navy Staff Corps Applicable to Regular Navy Officers in Grades Above Lieutenant Commander

This section would repeal the prohibition against regular officers in the grade of captain and above from moving between the line of the Navy and the Navy staff corps.

Section 512—Retention of Health Professions Officers to Fulfill Active-Duty Service Commitments Following Promotion Nonselection

This section would authorize the secretary concerned to retain officers serving in health professions until the end of their active duty service obligations, notwithstanding the requirement under law to discharge them on an earlier date due to nonselection for promotion. This section would allow the secretary to decline to retain an officer if retention of the officer is not in the best interests of the service.

Section 513—Increased Flexibility for Voluntary Retirement for Military Officers

The amendment would authorize the Secretary of Defense and the secretaries of the military departments greater flexibility in determining the grade in which active duty and reserve officers may be retired. Specifically, this section would:

(1) Make permanent the authority of the Secretary of Defense to reduce from three to two the number of years that must be served in grades above major, or lieutenant commander in the Navy, and below brigadier general, or rear admiral (lower half) in the Navy, before retiring in those grades.

(2) Require officers serving in grades above colonel, or captain in the Navy, to serve a minimum of one year time-in-grade before being allowed to retire in that grade.

(3) Replace the requirement for the Secretary of Defense to notify Congress that officers have performed satisfactorily in grades above major general, or rear admiral (upper half) in the Navy, before being allowed to retire in those grades with an authority for the secretary of the military department concerned to approve retirement of officers in those grades with the concurrence of the Secretary of Defense.

Subtitle C—Reserve Component Matters

Section 521—Streamlined Process for Continuation of Officers on the Reserve Active-Status List

This section would remove the requirement for the secretary concerned to conduct a selection board to identify officers eligible for continuation on the reserve active-status list after being subject to separation or retirement due to nonselection for promotion, selection for early separation, or other reason.

Section 522—Consideration of Reserve Officers for Position Vacancy Promotions in Time of War or National Emergency

This section would authorize the secretary concerned to consider reserve officers ordered to active duty in support of a contingency operation for vacancy promotions for a period of up to two years of active duty service.

Section 523—Simplification of Determination of Annual Participation for Purposes of Ready Reserve Training Requirements

This section would restate (in terms of days of duty to be performed) the annual training requirement for all members of the ready reserve, which is comprised of members of the selected reserve and individual ready reserve. At present, the typical member of the selected reserve is required to perform the equivalent of 38 training days of duty in the form of 48 periods of inactive duty for training (traditionally performed at the rate of four periods over a weekend) and 14 days of annual training. Other reservists fulfill training and active duty requirements in at least 32 different categories of duty status. This section would provide one measure of annual participation—38 days per year.

Section 524—Authority for Delegation of Required Secretarial Special Finding for Placement of Certain Retired Members in Ready Reserve

This section would allow the secretaries of the military departments to delegate determinations of whether retired members possess a skill so critical that they will be permitted to serve in a reserve component following retirement. However, this section would limit the delegation authority to no lower than the level of assistant secretary of the military service, or the level of lieutenant general or vice admiral in an armed force charged with responsibility for military personnel policy.

Section 525—Authority To Provide Expenses of Army and Air Staff Personnel and National Guard Bureau Personnel Attending National Conventions of Certain Military Associations

This section would authorize the secretary concerned to fund the necessary expenses of regular members assigned to the National Guard Bureau or the Army General Staff or the Air Staff to attend the national convention of the Enlisted Association of the National Guard of the United States in the same manner as funding is provided to support attendance at the national conventions of the National Guard Association of the United States and the Adjutants General Association.

SUBTITLE D—MILITARY EDUCATION AND TRAINING

Section 531—Authority for the Marine Corps University to Award the Degree of Master of Operational Studies

This section would authorize the president of the Marine Corps University to confer the degree of master of operational studies upon graduates of the Command and Staff College's School of Advanced Warfighting who fulfill the requirements for that degree.

Section 532—Expanded Educational Assistance Authority for Cadets and Midshipmen Receiving ROTC Scholarships

This section would authorize the secretary of the military department concerned to provide Senior Reserve Officer Training Corps scholarship students financial assistance in the form of room and board or other expenses required by the educational institution, so

long as the total amount of assistance does not exceed what the student would have otherwise received for tuition, fees, books, and laboratory expenses.

Section 533—Increase in Allocation of Scholarships Under Army Reserve ROTC Scholarship Program to Students at Military Junior Colleges

This section would expand from 10 to 17 the number of cadets attending each military junior college on a Reserve Officer Training Corps scholarship. Such cadets are required to serve in the reserve components upon graduation.

Section 534—Inclusion of Accrued Interest in Amounts that May be Repaid Under Selected Reserve Critical Specialties Education Loan Repayment Program

This section would clarify that the interest accrued on a student loan should be included in the loan amount used as the basis for calculating the annual payment to reserve members under the selected reserve education loan repayment program.

Section 535—Authority for Nonscholarship Senior ROTC Sophomores to Voluntarily Contract for and Receive Subsistence Allowance

This section would authorize the secretary of the military department concerned to enter into a service contract with a Senior Reserve Officer Training Corps student who is not on a scholarship for the purpose of making the student eligible to receive a monthly subsistence allowance.

Section 536—Appointments to Military Service Academies from Nominations Made by Delegates from Guam, Virgin Islands, and American Samoa

This section would increase from two to three the number of appointments to each of the military service academies that can be made as a result of nominations made by the Delegate in Congress from Guam and the Delegate in Congress from the Virgin Islands. It would also increase from one to two the number of appointments to each of the military service academies that can be made as a result of nominations made by the Delegate from American Samoa.

Section 537—Readmission to Service Academies of Certain Former Cadets and Midshipmen

This section would authorize the secretary of a military department to readmit a former cadet or midshipman to a service academy on the basis of a formal report by an inspector general in the Department of Defense, if that report found that while attending that service academy, the cadet or midshipman had suffered a reprisal or other injustice that led to the resignation from the service academy.

Section 538—Authorization for Naval Postgraduate School to Provide Instruction to Enlisted Members Participating in Certain Programs

This section would permit enlisted members of the armed services to receive instruction at the Naval Postgraduate School in connection with the information security scholarship program. This Department of Defense (DOD) program is conducted as part of an effort to recruit and retain DOD personnel who have the computer and network security skills to meet DOD information assurance requirements.

Section 539—Defense Task Force on Sexual Harassment and Violence at the Military Service Academies

This section would require the Secretary of Defense to establish a task force to examine matters related to sexual harassment and violence at the United States Military Academy and the United States Naval Academy. This section would require that the task force report findings and recommendations to the Secretary of Defense, and the secretaries of the Army and Navy, within 12 months of the initial meeting of the task force. Within 90 days of receiving the task force report, the Secretary of Defense would be required to provide the report, together with the Secretary's evaluation of the report, to the Senate Committee on Armed Services and the House Committee on Armed Services. At the same time, the Secretary also would be required to provide to those committees an assessment of the effectiveness of the corrective actions being taken at the United States Air Force Academy as a result of various investigations conducted at that academy into matters involving sexual assault and harassment. Based on that report, the committee will be in a position to judge whether it should subsequently direct additional evaluation and assessment of the Air Force Academy.

SUBTITLE E—ADMINISTRATIVE MATTERS

Section 541—Enhancements to High-Tempo Personnel Program

This section would restructure the program to manage service members subject to extended or frequent deployments. This section would require the deployment of members beyond 400 days out of the preceding 730 days to be approved, as a minimum, by a member of the Senior Executive Service or an officer serving in the grade of colonel, or in the case of the Navy, captain, when they have been selected for promotion and are serving in a billet authorized a general or flag officer. This section would also authorize a monthly payment of up to $1,000 to service members for each month during which the member is deployed for 191 or more consecutive days or for 401 days out of the preceding 730 days, or a reservist serves on active duty for more than 30 days during the second or subsequent mobilization for the same contingency operation.

Section 542—Enhanced Retention of Accumulated Leave for High-Deployment Members

This section would increase the accumulated leave that may be retained by a member serving at least 120 consecutive days in an area authorized payment of imminent danger pay, or similar assignment, from 90 to 120 days.

Section 543—Standardization of Time-in-Service Requirements for Voluntary Retirement of Members of the Navy and Marine Corps with Army and Air Force Requirements

This section would correct a minor disparity in the method for determining eligibility for retirement among the services by authorizing members of the Navy and Marine Corps to retire using the same years of service standard as used by the Army and Air Force. This section would authorize the Secretary of the Navy to determine the effective date of the correction in order to minimize implementation costs.

Section 544—Standardization of Statutory Authorities for Exemptions from Requirement for Access to Secondary Schools by Military Recruiters

This section would remove the authority for local educational agencies to vote to deny military recruiters access to secondary schools and student information and would bring the recruiter access policy established in section 503 of title 10, United States Code in line with the policy established in the No Child Left Behind Act (Public Law 107–110).

Section 545—Procedures for Consideration of Applications for Award of the Purple Heart Medal to Veterans Held as Prisoners of War Before April 25, 1962

This section would instruct the secretary concerned to consider the length of time between captivity and application and the duration of captivity when reviewing cases where individuals are seeking the award of the Purple Heart for periods when they were held as prisoners of war before April 25, 1962. This section would also require the secretary to provide information on prisoner of war camps to assist individuals in assembling applications.

Section 546—Authority for Reserve and Retired Regular Officers to Hold State and Local Elective Office Notwithstanding Call to Active Duty

This section would remove the restriction barring reservists or retirees serving on active duty for more than 270 days from holding elective office.

Section 547—Clarification of Offense Under the Uniform Code of Military Justice Relating to Drunken or Reckless Operation of a Vehicle, Aircraft or Vessel

This section would make a technical correction to section 911 of title 10 of the United States Code, clarifying that an alcohol concentration level in a person's blood or breath that was 0.10 grams

or more of alcohol per 100 milliliters of blood (or 210 liters of breath) is a punishable offense under the Uniform Code of Military Justice.

Section 548—Public Identification of Casualties No Sooner than 24 Hours After Notification of Next-of-Kin

This section would prohibit the Secretary of Defense from publicly releasing the name or other personally identifying information about military personnel who become casualties until 24 hours after official notification of the service member's next-of-kin has taken place.

SUBTITLE F—BENEFITS

Section 551—Additional Classes of Individuals Eligible to Participate in the Federal Long-Term Care Insurance Program

This section would authorize reservists and federal civilian employees who have not reached the minimum age required to begin receiving a retired annuity and certain other civilian employees to be eligible for the Federal Long-Term Care Insurance Program.

Section 552—Authority To Transport Remains of Retirees and Retiree Dependents Who Die in Military Treatment Facilities Outside the United States

This section would expand the authority of the secretary concerned to transport the remains of armed forces retirees and their dependents that die in military health care facilities from departure and destination locations within the United States to include locations overseas.

Section 553—Eligibility for Dependents of Certain Mobilized Reservists Stationed Overseas to Attend Defense Dependents Schools Overseas

This section would expand the eligibility for space-available, tuition-free attendance at Department of Defense Dependents Schools (DODDS) overseas to the dependents of mobilized reservists who are called to active duty from a continental United States location and whose overseas tour is voluntarily or involuntarily extended beyond one year. The committee makes this recommendation to address a disparity in an admissions policy that now permits the dependents of reservists called to active duty from an overseas location to enroll in DODDS on a space-available, tuition-free basis, but denies such admission to reservists mobilized from the continental United States.

It is the committee's intent to ensure that the dependents of mobilized reservists who become eligible for attendance at DODDS overseas under this section be admitted at the earliest feasible date. This section would also require the Secretary of Defense to prescribe final implementation regulations at the earliest opportunity for the dependents to begin schooling, but in no case later than the beginning of the school term closest to the date of enactment.

SUBTITLE G—OTHER MATTERS

Section 561—Extension of Requirement for Exemplary Conduct by Commanding Officers and Others in Authority to Include Civilians in Authority in the Department of Defense

This section would establish exemplary standards for all commanding officers and others in authority in the Department of Defense by broadening the scope of the statutory standards that now are individually codified for the Army, the Naval services, and the Air Force. The provision would also establish the standard for exemplary conduct for civilian leaders in the Department of Defense and the military departments.

Section 562—Recognition of Military Families

This section would require the Secretary of Defense to implement and sustain programs, including appropriate annual ceremonies and events, to celebrate the contributions and sacrifices of military families in the active and reserve components. The committee believes that it would be appropriate for the Secretary to focus this effort annually by designating that ceremonies and events take place during a specific month.

Section 563—Assistance to Local Educational Agencies that Benefit Dependents of Members of the Armed Forces and Department of Defense Civilian Employees

This section would provide $35.0 million for assistance to local educational agencies. The committee makes this recommendation in connection with its continuing strong support of the need to help local school districts with significant concentrations of military students.

Section 564—Permanent Authority for Support for Certain Chaplain-Led Military Family Support Programs

This section would authorize the secretary of a military department to provide support services to active duty and reserve members and their immediate family members to facilitate their participation in chaplain-led programs designed to build and maintain strong families.

Section 565—Department of Defense-Department of Veterans Affairs Joint Executive Committee

This section would expand the scope of responsibilities of the Department of Defense—Department of Veterans Affairs (DOD–VA) Health Executive Committee beyond health care matters to include collaborative efforts between the departments in matters of benefits and other areas as determined by the co-chairs. Reflecting these broader responsibilities, this section would rename the committee as the Department of Defense—Department of Veterans Affairs Joint Executive Committee. The committee believes the expanded responsibilities of the committee promote improved cooperation and greater flexibility by the DOD and VA in managing personnel and fiscal requirements of the collaborative endeavors of both departments.

Section 566—Limitation on Aviation Force Structure Changes in the Department of the Navy

This section would preclude reductions in active and reserve component aviation force structure in the Navy until 90 days after the Secretary of the Navy provides the Senate Committee on Armed Services and the House Committee on Armed Services two reports. One report would clarify the details of the Navy's aviation force structure plan for fiscal years 2004 through 2009. The second report would provide the secretary's concept of operations for improving the integration and use of Naval Reserve units and personnel with active component forces in carrying out operational missions across the peacetime and wartime spectrum of naval operations during the period of 2004 through 2005.

Section 567—Impact-Aid Eligibility for Heavily Impacted Local Educational Agencies Affected by Privatization of Military Housing

This section would clarify the eligibility for impact aid to schools whose student population was affected during the construction of military family housing by public-private partnerships.

Section 568—Investigation into the 1991 Death of Marine Corps Colonel James E. Sabow

This section would require the Secretary of Defense to open a new investigation into the January 1991 death of Colonel James E. Sabow at the Marine Corps Air Station, El Toro, California, focusing the effort on determining the colonel's cause of death. The committee believes that previous investigations did not address a range of issues that could clarify whether murder, not suicide, caused Colonel Sabow's death. The committee has compiled a list of significant issues and questions that must be addressed as part of this new investigation, as well as witnesses that must be interviewed. The committee expects the Secretary of Defense, prior to beginning the new investigation, to consult with the committee to ensure that the new investigation fully and comprehensively addresses these matters.

SUBTITLE H—DOMESTIC VIOLENCE

Section 571—Travel and Transportation for Dependents Relocating for Reasons of Personal Safety

This section would allow travel and transportation allowances to dependents of uniformed service members who are victims of domestic violence and have agreed upon property division by written agreement or court order.

Section 572—Commencement and Duration of Payment of Transitional Compensation

This section would allow transitional compensation to commence upon sentencing, except when a pretrial agreement includes a disapproval or suspension of a sentence. In such cases, transitional compensation will commence upon approval of the convening authority. It would also allow eligible individuals to receive transi-

tional compensation for 36 months, unless terminated earlier as required by law.

Section 573—Flexibility in Eligibility for Transitional Compensation

This section would allow transitional compensation to certain dependents of a member or former member of the armed forces due to extenuating circumstances, as prescribed under regulations developed by the secretary concerned.

Section 574—Types of Administrative Separations Triggering Coverage

This section would expand coverage to a service member on active duty for more than 30 days, who is voluntarily or involuntarily administratively separated.

Section 575—On-Going Review Group

This section would require the Secretary of Defense to convene a working group within two years from the date of enactment to review and assess the progress of the Department of Defense in implementation of the recommendations of the Defense Task Force on Domestic Violence.

Section 576—Resources for Department of Defense Implementation Organization

This section would require the Secretary of Defense to provide the necessary resources in order to implement the recommendations of the Defense Task Force on Domestic Violence.

Section 577—Fatality Reviews

This section would require the Secretary of Defense to conduct multidisciplinary fatality reviews for each fatality that involves a member of the armed forces, a current or former dependent of a member, or a current or former intimate partner who has a child in common or has shared a common domicile with a member, and is suspected or known to have resulted from domestic violence or child abuse.

Section 578—Sense of Congress

This section would express the sense of Congress that the Secretary of Defense should adopt the strategic plan proposed by the Defense Task Force on Domestic Violence. Furthermore, the service secretaries should establish and support a Victim Advocate Protocol for victims of domestic violence.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

OVERVIEW

The committee continues to support the fully funded and flexible compensation programs needed to recruit and retain a quality force in a wartime environment. Accordingly, the committee would in-

clude a pay raise that combines an across-the-board raise with targeted increases for mid-grade and senior noncommissioned officers, increases in pay and allowances for the warfighters, and additional incentives for mobilized reserve forces.

The committee remains committed to protecting military exchange and commissary benefits. Accordingly, the committee would include a series of provisions to clarify the requirement to operate resale activities and protect the level of benefit provided to service members and their families.

ITEMS OF SPECIAL INTEREST

Survivor Benefit Program

The committee is deeply concerned that implementation of the Survivor Benefit Program (SBP) by the services has created certain inequities among eligible beneficiaries. Although Congress has enacted legislation designed to correct such inequities, many similarly situated survivors continue to receive disparate treatment under SBP. Specifically, the committee is aware that survivors of some seriously ill or injured service members who live long enough to be disability retired receive a better level of benefit than those where the member's death was instantaneous. The committee desires to correct such inequities. Accordingly, the committee directs the Secretary of Defense to review active duty SBP benefit levels awarded to survivors under different circumstances of death, the procedures used by the Department of Defense to operate the program, and the desired objectives of the program, and to propose legislation to ensure equitable treatment for the survivors of all members, regardless of the circumstances of death. The Secretary shall report his findings and recommendations to the Senate Committee on Armed Services and the House Committee on Armed Services by March 31, 2004.

LEGISLATIVE PROVISIONS

SUBTITLE A—PAY AND ALLOWANCES

Section 601—Increase in Basic Pay for Fiscal Year 2004

This section would increase basic pay for members of the armed forces by an average of 4.1 percent. This section would provide enhanced increases for mid-grade and senior noncommissioned officers and select warrant officers to enhance retention.

This raise would continue to fulfill Congress' commitment to increasing pay for the armed forces and would reduce the pay gap between military and private sector pay increases from 6.4 percent to 5.5 percent.

Section 602—Computation of Basic Pay Rate for Commissioned Officers with Prior Enlisted or Warrant Officer Service

This section would correct an inequity by authorizing mobilized reserve junior officers with extended prior enlisted or warrant officer service to be paid at the same increased rates of pay that they receive when serving in the active reserves.

Section 603—Special Subsistence Allowance Authorities for Members Assigned to High-Cost Duty Location or Under Other Unique and Unusual Circumstances

This section would authorize commanders to pay service members a supplemental allowance for subsistence to compensate for additional expenses encountered when assigned to high-cost and unique duty locations.

SUBTITLE B—BONUSES AND SPECIAL AND INCENTIVE PAYS

Section 611—One-Year Extension of Certain Bonus and Special Pay Authorities for Reserve Forces

This section would extend the authority for the selected reserve reenlistment bonus, the selected reserve enlistment bonus, special pay for enlisted members of the selected reserve assigned to certain high priority units, the selected reserve affiliation bonus, the ready reserve enlistment and reenlistment bonus, and the prior service enlistment bonus until December 31, 2004.

Section 612—One-Year Extension of Certain Bonus and Special Pay Authorities for Certain Health Care Professionals

This section would extend the authority for the nurse officer candidate accession program, the accession bonus for registered nurses, the incentive special pay for nurse anesthetists, the special pay for selected reserve health care professionals in critically short wartime specialties, and the accession bonus for dental officers until December 31, 2004. The provision would also extend the authority for repayment of educational loans for certain health professionals who serve in the selected reserve until January 1, 2005.

Section 613—One-Year Extension of Special Pay and Bonus Authorities for Nuclear Officers

This section would extend the authority for the special pay for nuclear-qualified officers extending the period of active service, nuclear career accession bonus, and the nuclear career annual incentive bonus until December 31, 2004.

Section 614—One-Year Extension of Other Bonus and Special Pay Authorities

This section would extend the authority for the aviation officer retention bonus, the reenlistment bonus for active members, the enlistment bonus for active members, the retention bonus for members with critical military skills, and the accession bonus for new officers in critical skills until December 31, 2004.

Section 615—Computation of Hazardous Duty Incentive Pay for Demolition Duty and Parachute Jumping by Members of Reserve Components Entitled to Compensation Under Section 206 of Title 37

This section would authorize reservists to be paid hazardous duty pay at the same monthly rates paid to members serving on active duty for explosives demolition and parachute jumping duties

when they maintain the same qualification standards as required for active duty members.

Section 616–Availability of Hostile Fire and Imminent Danger Pay for Reserve Component Members on Inactive Duty

This section would authorize reservists to be paid hostile fire and imminent danger pay at the same monthly rate paid to members serving on active duty when serving in an inactive duty for training status at duty locations authorized the pay.

Section 617—Expansion of Overseas Tour Extension Incentive Program to Officers

This section would authorize officers to receive the same compensation or rest and recuperative leave benefits as granted to enlisted members who extend their overseas tours of duty at designated locations.

Section 618—Eligibility of Appointed Warrant Officers for Accession Bonus for New Officers in Critical Skills

This section would authorize individuals appointed in the grade of Warrant Officer (W1) to receive the accession bonus for new officers in critical skills.

Section 619—Incentive Pay for Duty on Ground in Antarctica or on Arctic Icepack

This section would authorize service members performing duty on the ground in the Antarctic or on the icepack in the Arctic to be paid an additional $5 for each day of that duty.

Section 620—Special Pay for Service as Member of Weapons of Mass Destruction Civil Support Team

This section would authorize members assigned by orders to duty as members of Weapons of Mass Destruction Civil Support Teams to be paid a special pay of $150 per month.

Section 621—Incentive Bonus for Agreement to Serve in Critically Short Military Occupational Specialty

This section would authorize the secretary concerned to pay an incentive bonus of not more than $4,000 to certain enlisted members of the armed forces who agree to serve for not less than two years in a critically short military occupational specialty.

Section 622—Increase in Rate for Imminent Danger Pay and Family Separation Allowance Related to Service in Operation Iraqi Freedom or Operation Enduring Freedom

This section would increase the rate of imminent danger pay from $150 per month to $225 per month and the rate of family separation allowance from $100 per month to $250 per month paid to service members performing duty in the combat zones designated for Operation Iraqi Freedom and Operation Enduring Freedom. The increase in these pays would be effective October 1, 2003, and would expire on the date the President terminates the operation.

SUBTITLE C—TRAVEL AND TRANSPORTATION ALLOWANCES

Section 631—Shipment of Privately Owned Motor Vehicle Within Continental United States

This section would authorize the secretary concerned to pay a monetary allowance in lieu of transportation to service members who elect to arrange for transportation of a privately owned vehicle during a permanent change of station move between duty locations within the continental United States. The member would be responsible for any transportation costs in excess of the monetary allowance paid in lieu of transportation.

Section 632—Payment or Reimbursement of Student Baggage Storage Costs for Dependent Children of Members Stationed Overseas

This section would expand the eligibility for dependent children of members stationed overseas to store student baggage to include storage at any point during the same fiscal year and not just at the time of the dependent student's annual trip to the member's overseas duty station.

Section 633—Reimbursement for Lodging Expenses of Certain Reserve Component and Retired Members During Authorized Leave From Temporary Duty Location

The committee is troubled that mobilized reservists and recalled retirees serving on active duty for extended periods away from their homes are not authorized to be reimbursed for lodging costs during periods of leave when those costs are paid by the member on a monthly basis. Accordingly, this section would authorize the secretaries of the military departments to reimburse reservists and retirees serving on active duty at duty locations away from their homes the lesser of the lodging portion of the applicable per diem rate or the actual cost of lodging paid by the member for periods during which the member is in a leave status.

SUBTITLE D—RETIRED PAY AND SURVIVORS BENEFITS

Section 641—Funding for Special Compensation Authorities for Department of Defense Retirees

This section would require that payments made to retirees eligible for either the special compensation for the severely disabled or the special compensation for the combat disabled would be paid from the Military Retirement Trust Fund. These payments are now paid from the military services' personnel accounts. This section would also provide that any increase in the Department of Defense's annual accrual payment to the Military Retirement Trust Fund resulting from the payment of the two special compensations, or from concurrent receipt, should it be enacted, would be provided by a contribution from the United States Treasury.

SUBTITLE E—COMMISSARY AND NONAPPROPRIATED FUND INSTRUMENTALITY BENEFITS

Section 651—Expanded Commissary Access for Selected Reserve Members, Reserve Retirees Under Age 60, and Their Dependents

This section would authorize members of the selected reserve, reserve retirees qualified to receive retired pay, except that they are not age 60, and their dependents to use commissaries to the same extent as active duty members and their dependents.

Section 652—Defense Commissary System and Exchange Stores System

The committee has noted the absence of a basic authority for the operation of commissaries and exchange stores and believes that such authority should be installed in the law. Accordingly, this section would require the Secretary of Defense to operate separate defense commissary and exchange store systems.

Section 653—Limitations on Private Operation of Defense Commissary Store Functions

The committee is concerned that current law does not provide Congress sufficient oversight of initiatives to privatize commissary store functions. Accordingly, this section would clarify that only selected store functions may be considered for privatization and that the private operation of a store function may not take effect until the Secretary of Defense submits written notice of the proposed change to Congress and a period of 90 days of continuous session of Congress expires following the date on which the Secretary's notice is received.

Section 654—Use of Appropriated Funds to Operate Defense Commissary System

The committee believes that the value of the commissary benefit to service members is derived from consistent appropriated funding support of commissary operations. Accordingly, this section would require the use of appropriated funding to support commissary operating expenses.

Section 655—Recovery of Nonappropriated Fund Instrumentality and Commissary Store Investments in Real Property at Military Installations Closed or Realigned

This section would authorize the use, without further appropriation, of funds resulting from the transfer or disposal (during base closures or realignments prior to 2005) of real property or facilities that had been acquired, constructed or improved with nonappropriated or commissary store funds. The committee makes this recommendation believing it to be fully consistent with the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) governing the disposition of funds resulting from the transfer or disposal of nonappropriated or commissary store real property or facilities during the upcoming 2005 round of base closures and realignments.

Section 656—Commissary Shelf-Stocking Pilot Program

The committee believes that the current practice of relying on vendors and brokers to provide a significant portion of commissary shelf stocking denies commissary managers effective control over an important element of cost. Accordingly, this section would authorize the Secretary of Defense to conduct a pilot program to stock shelves at three commissary stores using federal civilian employees or employees contracted by commissary managers. This section would require the Secretary to submit a plan to the Senate Committee on Armed Services and the House Committee on Armed Services for the conduct of the pilot program not later than six months after the enactment of the bill and would authorize the Secretary to begin the pilot program 30 days after the plan was received by the committees.

The committee believes that the success of the pilot program relies on the Secretary of Defense requesting and the Office of Personnel Management approving a targeted civil service demonstration project under chapter 47 of title 5, United States Code. The committee does not favor the use of nonappropriated fund employees in commissaries and would not support the use of such employees to stock shelves during operation of the pilot program.

SUBTITLE F—OTHER MATTERS

Section 661—Repeal of Congressional Notification Requirement for Designation of Critical Military Skills for Retention Bonus

This section would repeal the requirement for the Secretary of Defense, and the Secretary of Homeland Defense with respect to the Coast Guard when it is not operating as a service in the Navy, to provide Congress 90 days advance notice before implementing a critical skills retention bonus.

TITLE VII—HEALTH CARE PROVISIONS

OVERVIEW

The committee recognizes the challenges faced by the Department of Defense in providing health care to a full range of beneficiaries at home and overseas, while caring for service members engaged in hostile operations. The committee is pleased that the Department's budget request for the Defense Health Program is based on appropriate inflation rates resulting in a realistic assessment of its requirements. Nonetheless, with the national phenomenon of escalating health care costs, the committee challenges the Department to aggressively explore innovative cost control methods.

In addition, the committee's recommendations address a number of concerns. For example, the committee believes that the Department has not fully demonstrated a commitment to carrying out force health protection and surveillance requirements that emerged from the lessons learned during the first Gulf War. The committee encourages the Department to ensure participation from the highest levels of leadership to ensure that operational commanders can track military units and individuals during operations; that per-

sonnel and medical systems provide complete documentation of health care encounters in medical records and that information systems for integrating every aspect of a service member's activity in theater (to include environmental data) and at home station are available.

Our Nation relies heavily on the reserve components to supplement the capabilities of our active duty forces as evidenced by the activation of thousands of reserve component personnel for operations in the Gulf. The committee is pleased with the Department's actions to enroll into TRICARE Prime the family members of reserve component service members who receive active duty orders for more than 30 days. Moreover, the committee continues to support and monitor the medical readiness efforts for the reserve components. However, the committee is concerned that many of the reserve component personnel do need significant medical and dental care to meet deployment standards once activated. To that end, the committee recommends new authority for the Department to provide pre-mobilization medical and dental screening and care to members of the Selected Reserve who are assigned to a unit that has been alerted or notified for mobilization in support of certain operations.

The committee recognizes the progress the Department has made toward selecting and establishing the next generation of TRICARE managed care support contracts. Yet, the Department faces the formidable task of awarding the contracts and executing a seamless transition to the new contracts that include a modified governance structure. The committee is encouraged by the efforts of the Department's transition team and implementation plan. The committee continues to expect the Department to provide ongoing, outreach programs regarding the full array of TRICARE programs to all categories of beneficiaries, beneficiary representative organizations, and health care providers.

ITEMS OF SPECIAL INTEREST

Cost Containment in Department of Defense and Department of Veterans Affairs Health Care System

The committee is concerned about the growing cost of health care for active and retired military personnel and their families. Given this concern, the committee remains interested in exploring cost containment measures which may have application in both the Department of Defense and the Department of Veterans Affairs' health care systems. Therefore, the committee believes that both departments should be receptive to the examination and the controlled testing of innovative proposals for cost containment. Such innovative proposals could include the use of alternative treatment regimes, observation units, increased use of paramedics and other protocols that have proven effective at reducing cost while maintaining quality health care. Therefore, the committee directs the Secretary of Defense, in coordination with the Secretary of Veterans Affairs, to consider establishing centers of excellence in both departments as a means of examining and testing innovative cost containment proposals and report to the Senate Committee on Armed Services and the House Committee on Armed Services the Secretary's plan for carrying out this directive.

Force Health Protection and Surveillance

The committee remains strongly committed to the force health protection and surveillance of members of the armed forces. While the Department of Defense (DOD) and the military services have made notable strides since 1991 in improving the force health protection and surveillance system, the emerging results of oversight efforts by the General Accounting Office (GAO) indicate that much more remains to be done to overcome shortfalls in a system found lacking following the first Persian Gulf War. As service members return from a second conflict in the Persian Gulf, it is imperative that the Department has systems in place to avoid repeating the mistakes of the past.

In 1997, Congress established a number of program requirements. For example, the law requires the Secretary of Defense to institute a system of assessing the medical conditions of service members, including the use of pre- and post-deployment examinations, to provide for a centralized location of such records, to establish a quality assurance program to evaluate the system, and to create a mechanism for the tracking of members in a theatre of operations.

Ongoing reviews by the GAO indicate that while the services and the Department have made efforts to meet the intent of the law, especially in the promulgation of policy, the Department is not meeting the full requirement of the law and the military services are not effectively carrying out many of the Department's policies. For example, the GAO has found that many service members are not getting pre- and post-deployment health assessments. Centralized location of health care records remains a significant shortfall, and the required quality assurance program has yet to be established. Recent testimony by the Assistant Secretary of Defense for Health Affairs indicates that the Department is committed to resolving these issues. Yet, the committee remains concerned that the Department's focus on these issues will fade as the war with Iraq draws to a close.

Therefore, the committee, while awaiting the final report of the General Accounting Office, directs the Secretary of Defense to establish a quality control program to begin assessing implementation of the force health protection and surveillance program, and to provide a strategic implementation plan, including a timeline for full implementation of all policies and programs, to the Senate Committee on Armed Services and the House Committee on Armed Services by March 31, 2004.

Military-Civilian Education Programs Related to Sexual Health Decision-Making

The committee is aware of collaborative civil-military partnership education programs related to sexual health decision-making that demonstrate benefits through the reduction of unintended pregnancies and sexually transmitted infections among military personnel. The committee's support for such collaborative programs was demonstrated in the statement of managers accompanying the conference report on H.R. 4546 (H. Rept. 107–772), which directed the Secretary of Defense to examine such collaborative programs and consider their use by the services. The committee continues to

be aware of on-going innovative, effective partnership education programs, particularly in the Army. As a measure of support for those efforts, and to further encourage the Secretary of Defense to examine civil-military partnership programs related to sexual health decision making, the committee recommends an increase in the funding for the Army medical department of $150,000.

Population-Based Medical Research

The committee is encouraged by the collaboration of the Department of Defense and the Department of Veterans Affairs to increase the capability to conduct population-based medical research and disease surveillance on the health of military personnel deployed in overseas conflicts both during and after their active military service. Such a capability was identified as essential after the first Gulf War. The committee encourages the Department of Defense to continue adapting existing information systems that leverage Department of Defense and Department of Veterans Affairs capabilities to improve their population-based research.

Study of Cost and Feasibility of TRICARE Eligibility for Adult Disabled Family Members

The committee is aware of beneficiary concerns that certain family members who are no longer eligible for TRICARE benefits and subsequently become incapacitated may have limited options for health care coverage. The committee directs the Secretary of Defense to conduct a study of the cost and feasibility of providing TRICARE benefits to adult family members or adopted adult family members of active duty and retired military service members who became incapacitated after they were no longer eligible for TRICARE benefits. The study would include information on the number of families affected by current restrictions and the cost and feasibility of any recommendations for implementing the proposed change to TRICARE eligibility. The Secretary shall submit the report by March 31, 2004 to the Senate Committee on Armed Services and the House Committee on Armed Services.

Study of TRICARE Options for Puerto Rico

The committee is aware that the recent termination of the Federal Employee Health Benefits Program Demonstration may have had a greater impact on eligible beneficiaries in Puerto Rico compared with other demonstration sites because of the large percentage of participants in the program. The termination of the demonstration may have had a particular impact on military retirees under the age of 65 and their dependents, whose primary option is now TRICARE Standard. The committee is aware that it may be possible to expand TRICARE options for all beneficiaries who reside in Puerto Rico. The committee urges the Department of Defense to conduct a review of the current TRICARE options and access to health care services in Puerto Rico, including an analysis of the feasibility of providing TRICARE Prime and TRICARE Extra in Puerto Rico, as well as the costs to the federal government and the benefit to the military retiree.

TRICARE Provider Participation

Over the past several years, the committee has heard from multiple sources not only that TRICARE beneficiaries are having increasing difficulty finding civilian health care providers who will accept them as patients, but also that civilian health care providers increasingly are leaving the TRICARE program or refusing to accept new TRICARE patients. In response, Congress, in the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314), directed the Comptroller General to review the extent of and reasons for provider instability within the TRICARE network. Recently, a General Accounting Office (GAO) witness, testifying before the committee on GAO's preliminary findings, made it clear that data does not exist within the Department of Defense's (DOD) health care system, or within the data maintained by the TRICARE managed care support contractors, to objectively measure trends in provider participation or adequacy for network needs. Although the final report has yet to be completed, GAO's preliminary findings already raise serious concerns, especially since the Department has consistently reported that TRICARE provider networks are meeting contract standards. Therefore, the committee directs the Department to review and improve the current methodology used to ensure network adequacy. In addition, while the committee supports the Department's effort to provide greater responsibilities to local lead agents, it does not absolve the Department from ensuring that the managed care support contractors meet the reporting requirements of the contracts. The committee also directs the Department to systematically collect and evaluate beneficiary complaints to assist in determining whether there are systematic access problems.

LEGISLATIVE PROVISIONS

Section 701—Revision of Department of Defense Medicare-Eligible Retiree Health Care Fund To Permit More Accurate Actuarial Valuations

This section would give the Secretary of Defense more flexibility in calculating the required per-capita normal cost contributions to the Department of Defense Medicare-Eligible Retiree Health Care Fund. Current law limits the Secretary of Defense to use only per-capita costs for the uniformed services, which include the Coast Guard, the U.S. Public Health Service and the National Oceanic and Atmospheric Administration. Members of these non-DOD uniformed services have a higher per capita cost of health care than do DOD military personnel, and the requirement to use a "uniformed services" per-capita cost results in DOD's actuarial contribution being larger than necessary to fund the future cost of health care for Medicare-eligible military beneficiaries.

Section 702—Transfer of Certain Members from Pharmacy and Therapeutics Committee to Uniform Formulary Beneficiary Advisory Panel Under the Pharmacy Benefits Program

This section would realign the membership of the Pharmacy and Therapeutics Committee and the Uniform Beneficiary Advisory

Panel to improve the ability of both to more effectively meet their statutory roles.

Section 703—Permanent Extension of Authority to Enter into Personal Services Contracts for the Performance of Health Care Responsibilities at Locations Other than Military Medical Treatment Facilities

This section would make permanent the authority for the Secretary of Defense to enter into personal services contracts to carry out health care responsibilities at locations other than medical treatment facilities, such as military entrance processing stations. The existing authority expires December 31, 2003.

Section 704—Plan for Providing Health Coverage Information to Members, Former Members and Dependents Eligible for Certain Health Benefits

This section would require the Secretary of Defense to develop and submit to Congress by March 31, 2004, a plan to:

(1) Provide TRICARE Standard beneficiaries information concerning the extent of health care coverage under the benefit, the associated costs, sources of information for locating TRICARE-authorized providers, and methods to obtain assistance in resolving difficulties encountered with billing, eligibility, locating TRICARE-authorized providers, and collection actions;

(2) Ensure that beneficiaries receive assistance in locating a TRICARE-authorized provider;

(3) Institute a systematic approach to identify the number and location of TRICARE Standard eligible beneficiaries;

(4) Provide information to recruit and retain health care providers within TRICARE Standard; and

(5) Provide an implementation schedule for the plan to be executed with respect to any contract in the TRICARE program entered into after May 31, 2003.

The committee, based on testimony it has received and ongoing work of the General Accounting Office (as directed by the National Defense Authorization Act for Fiscal Year 2003, Public Law 107–314), believes that an active outreach program by the Department of Defense to beneficiaries and health care providers would be helpful to improve access to care and beneficiary satisfaction with TRICARE Standard.

Section 705—Working Group on Military Health Care for Persons Reliant on Health Care Facilities at Military Installations to be Closed or Realigned

This section would require the Secretary of Defense to establish a working group to provide input to the Secretary on the provision of health care to persons in the United States and overseas who rely on military health care facilities on installations that are selected for closure or realignment. The working group, which would include independent representatives from each TRICARE region, would:

(1) Provide input to the Secretary in developing the selection criteria and recommendations for the 2005 round of base closures;

(2) Assist the Defense Base Closure and Realignment Commission; and

(3) Provide a plan to the Secretary for the provision of health care to those persons affected by the closure or realignment of a military installation.

Section 706—Acceleration of Implementation of Chiropractic Health Care for Members on Active Duty

This section would require the Secretary of Defense to accelerate the availability of chiropractic health care services and benefits through medical treatment facilities within the Defense Health Program (DHP) to members on active duty. The committee authorizes funds to be appropriated for the DHP above the budget request in the amount of $6.0 million for this purpose.

Section 707—Medical and Dental Screening for Members of Selected Reserve Units Alerted for Mobilization

This section would allow the Department of Defense, to provide medical and dental screening and care for members of the selected reserve who are assigned to a unit that has been alerted or otherwise notified that the unit will be mobilized for an operational mission or a contingency operation, or during a national emergency, or in time of war.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

ITEM OF SPECIAL INTEREST

MEDICAL EQUIPMENT AND SUPPLIES

The committee is aware that the Director, Defense Logistics Agency, is considering using a group purchasing organization (GPO) to provide electronic access to GPO prices for medical equipment and supplies. These group purchase organizations use the leverage of their members' combined buying power as a means to purchase items at a discounted price. The committee recognizes the benefits of a GPO, but also recognizes the continued need for competition and the need to support small and small disadvantaged businesses. The committee therefore directs the Director, Defense Logistics Agency, to insure that small businesses receive special emphasis by retaining visibility of their medical equipment and supplies on national and/or regional pricing agreements within the electronic catalog/purchasing system. Further, any GPO selected to provide service will be required to foster small and small disadvantaged business participation within the portfolio of the organization, and the Defense Logistics Agency shall monitor this participation.

LEGISLATIVE PROVISIONS

SUBTITLE A—AMENDMENTS TO GENERAL CONTRACTING AUTHORITIES, PROCEDURES, AND LIMITATIONS

Section 801—Extension of Authority To Carry Out Certain Prototype Projects

This section would extend authority for the Director of the Defense Advanced Research Projects Agency, the Secretary of a military department, or any other official designated by the Secretary of Defense, to carry out prototype projects under section 845 of the National Defense Authorization Act for Fiscal Year 1994 (P.L. 103–160) until September 30, 1998.

Section 802—Elimination of Certain Subcontract Notification Requirements

This section would amend section 2306 of title 10, United States Code, by eliminating the requirement that contractors with a cost contract notify the agency before awarding a subcontract for a cost-plus-a-fixed-fee or a fixed price subcontract greater than the simplified acquisition threshold or five percent of the estimated cost of the prime contract. The requirement would no longer apply in those instances where the Secretary of Defense approves the contractor's purchasing system.

Section 803—Elimination of the Requirement to Furnish Written Assurances of Technical Data Conformity

This section would amend section 2320 of title 10, United States Code, by eliminating the requirement that contractors that provide technical data under a contract furnish written assurances that the data is complete, accurate, and satisfies the requirements of the contract. This section is not intended to diminish the contractor's obligation to provide technical data that meets contractor requirements or the Secretary of Defense's ability to enforce contractual obligations.

Section 804—Limitation Period for Task and Delivery Order Contracts

This section would amend section 811 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (P.L. 107–314) in order to clarify the committee's intent to proscribe the period of time for which task and delivery order contracts can be awarded.

Section 805—Additional Authorities Relating to Obtaining Personal Services

This section would amend section 129 of title 10, United States Code, to authorize the Secretary of Defense to award personal service contracts without application of section 3109 of title 5, United States Code. Personal service contracts can be awarded for experts and consultants, as well as for other work that is not considered of a consultant or expert nature. In this latter case contracts can be awarded for work to be performed outside the United States and for work to be performed inside the United States. In those in-

stances where work is to be performed inside the United States the contract must support special operations, intelligence and counter intelligence missions. The committee believes that personal service contracts should be awarded only when there are no Department of Defense officials available to perform the function. The committee also encourages the Department of Defense Inspector General to audit the use of this authority to ensure its appropriate use and application.

SUBTITLE B—UNITED STATES DEFENSE INDUSTRIAL BASE PROVISIONS

PART I—CRITICAL ITEMS IDENTIFICATION AND DOMESTIC PRODUCTION CAPABILITIES IMPROVEMENT PROGRAM

Section 811—Assessment of United States Defense Industrial Base Capabilities

This section would direct the Secretary of Defense and the secretaries of each military department to establish a program to assess the ability of the United States industrial base to produce military systems necessary to support national security requirements.

This section would also require the Secretary of Defense and the Secretary of each military service to designate a person with the authority and responsibility to maintain an awareness of the degree to which the United States is dependent on foreign sources for military products, and pursue initiatives to bolster United States industrial base capabilities.

This section would further require the Secretary of Defense to collect data with respect to the procurement of covered military systems. The data collected would include information about the critical item or items included in that system, whether the items in question are from domestic or foreign sources, the identification of foreign contractors and the reason for the selection of that contractor, and the location of work to be completed by a U.S. contractor outside the United States. Based on this data collection, the Secretary of Defense would submit an assessment of his findings to the Senate Committee on Armed Services and the House Committee on Armed Services. This report would be required every two years, with the first report due on November 1, 2004, covering the fiscal years 2002 and 2003. This first report would provide critical baseline data for understanding the current strengths and vulnerabilities of the defense industrial base and for measuring the impact of initiatives undertaken through other sections in this subtitle.

The committee is concerned that the U.S. industrial base is becoming more dependent on foreign sources and that there are fewer indigenous capabilities available for the design and fabrication of critical components, systems, and materials used in military systems. The committee is aware that the U.S. needs to maintain sovereign capabilities to design, develop, test, integrate, and manufacture military systems in the quality and quantity necessary to support war time requirements.

Section 812—Identification of Critical Items: Military System Breakout List

This section would direct the Secretary of Defense to identify all items and components of military systems and to identify which of these are essential and critical to the U.S. industrial base. Essential items and components would be those essential for the proper functioning and performance of a military system or those involving a defense critical technology. Critical items would be those items already deemed essential that also pose high barriers to entry for the production of the item or component in question. This section would also require an annual report, beginning with November 1, 2004, that would compile the lists required under this section, including a list of items and components that are manufactured and produced outside the United States. The committee is concerned that the U.S. is becoming dependent on foreign sources for many essential and critical items and has limited means to assess risks related to this dependency.

The committee is also concerned by a lack of visibility by both industry and the Department of Defense of the sources of items or components typically provided by subcontractors. Such visibility is unavailable using current methods. The lists compiled through this section, however, can provide a first step to providing this information by first identifying those items and components that are essential and critical to the U.S. defense industrial base.

Section 813—Procurement of Certain Critical Items from American Sources

This section would require the Secretary of Defense to purchase certain critical items only if they are entirely produced in the United States. For such critical items, there would have to be limited sources of production capability of the item in the United States. The section would provide an exception by which the Secretary could procure such an item from a foreign source if the Secretary determines in writing that the need for the item is of such an unusual and compelling urgency that the United States would be seriously injured unless the Department of Defense permitted to procure the item from sources outside the United States.

The committee is concerned that the United States military is becoming dependent on critical parts produced in foreign countries. Therefore the committee seeks to require the Secretary of Defense to bolster those parts of the defense industrial base that have limited production sources but that nonetheless produce critical items. The committee sees this effort as a step in the direction of revitalizing our defense industrial base and limiting U.S. dependence on foreign sources for critical military items.

Section 814—Production Capabilities Improvement for Certain Critical Items Using Defense Industrial Base Capabilities Fund

This section would establish within the Department of the Treasury, the Defense Industrial Base Capabilities Fund that would be used to develop U.S. capabilities for the production of items, components, or materials that are determined to be critical to the operation and performance of military systems. The fund's activities would focus on items currently available only from foreign contrac-

tors and those available only from a limited number of United States contractors.

This section would authorize $100.0 million for the fund in fiscal year 2004. Prior to the obligation of any monies from the fund, the Secretary of Defense must submit to Congress his plans for executing this activity, including the priorities for which the Secretary will obligate funds; the criteria for determining to whom funds shall be obligated; and the mechanisms through which funds may be provided to the recipients.

The committee believes that it must aggressively seek to build the U.S. industrial base for critical items. The fund established in this section would provide the resources to revitalize portions of the United States industrial base and would provide the Department of Defense with a flexible mechanism for more directly assisting critical industries that are currently struggling.

PART II—REQUIREMENTS RELATING TO SPECIFIC ITEMS

Section 821—Domestic Source Limitation for Certain Additional Items

This section would expand the list of items in 10 U.S.C. 2534 that are currently required to be procured from a source within the National Technology and Industrial Base. This section would limit the conditions under which the Secretary of Defense could waive the domestic source requirements and would conform the waiver authority of this section of the U.S. Code with other provisions in this subtitle.

The committee recognizes that there are certain items required by the Department of Defense that should be purchased from domestic sources. The committee believes that the waiver authority in existing law is overly broad and should be limited to a more narrow set of conditions.

This section would redefine the term National Technology and Industrial Base to include only those contractors engaged in research, development, production, and maintenance activities conducted within the United States.

Section 822—Requirements Relating To Buying Specialty Metals from American Sources

This section would define the requirements by which the Secretary of Defense could procure commercial items containing specialty metals. Under the terms of this section, the Secretary of Defense would be able to procure a commercial item containing specialty metals from a foreign source if the Secretary determines in writing that there is an unusual and compelling urgency to the Department of Defense's need for the item containing foreign metals or if the contractor in question agreed to purchase an equivalent amount from a United States source over an 18-month period beginning on the date of contract award.

The committee is aware of the difficulty of accounting for all of the specialty metal within an end item and requires the Secretary to establish a method for a prime contractor to account for specialty metal contained within an end item at an aggregate level.

The committee is aware of the need to protect and maintain United States capabilities to produce critical raw materials such as specialty metals resulting in product forms from a melt or smelt production process. The committee is aware that specialty metal ingots, vary in terms of grade, type, and form, and the measure of an equivalent amount may be fungible to interchange one product form for another to satisfy an obligation plus ten percent. The committee directs the Secretary of Defense to publish a notice in the Federal Register on the method that the Department of Defense will use to measure an equivalent amount.

This section would also require the Secretary to notify the Senate Committees on Armed Services and the House Committee on Armed Services when the Secretary applies the exception created here and wait 15 days before entering into a contract pursuant to this section. Finally, this section would provide that the new exception shall apply to any contract entered into before, on, or after the date of the enactment of this Act.

This section would clarify the term clothing by adding associated materials and components to the existing requirement.

Section 823—Elimination of Unreliable Sources of Defense Items and Components

This section would identify foreign countries that restricted the provision or sale of military goods and services to the United States because of the U.S. policy toward, or military operations in, Iraq after September 12, 2002. On this date, President Bush addressed the United Nations Security Council and articulated the U.S. approach to dealing with the continued failure of Iraq to disarm itself of its weapons of mass destruction and to comply with 12 years of Security Council resolutions. This provision would prohibit the Secretary of Defense from procuring any items or components contained in military systems that are manufactured in these countries. This provision would apply to all contracts in effect on the date of the enactment of this Act or entered into subsequently. This provision would, however, allow the Secretary 24 months to bring all contracts into compliance with this section. Finally, this section would provide the Secretary with the authority to waive this section if failure to do so would seriously injure the United States.

The committee notes that many countries stood with the United States in requiring the disarmament of Iraq and in acting to liberate the Iraqi people. Several other countries did not and chose to express their disagreement with U.S. policy by prohibiting the sale of military goods and services to the United States. The committee believes that U.S. defense funds should not be used to contract with companies from these countries, unless the need for the item from that source is of an unusual and compelling need that would harm our interests.

Section 824—Congressional Notification Required Before Exercising Exception to Requirement To Buy Specialty Metals from American Sources

This section would require the Secretary of Defense or the Secretary of the military department concerned to notify Congress and to publish in the Federal Register notice of the exception author-

ized within this subtitle and waits for 15 days before awarding the contract.

Section 825—Repeal of Authority for Foreign Procurement of Para-Aramid Fibers and Yarns

This section would repeal section 807 of the National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261), which authorized competition for para-aramid fibers and yarns between foreign and domestic sources in order to avoid a domestic sole source procurement.

Section 826—Requirement for Major Defense Acquisition Programs to use Machine Tools Entirely Produced within the United States

This section would require that within four years the defense contractors fulfilling procurement contractors for major defense acquisition programs shall use only machine tools produced entirely within the United States.

PART III—GENERAL PROVISIONS

Section 831—Definitions

The committee provides definitions and clarifications for terms that are used within this subtitle.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

ITEMS OF SPECIAL INTEREST

Commandant of the Coast Guard and the Joint Chiefs of Staff

The committee recognizes the important contribution the United States Coast Guard makes to our national security. In accomplishing its mission, the Coast Guard has extensive interaction with the Department of Defense (DOD), the Joint Staff, the Unified Commands, and the military services. Coast Guard units are apportioned for use in the Unified Command Plan (UCP) and Coast Guard flag officers command Joint Interagency Task Forces East and West that include DOD assets. Coast Guard personnel are assigned to the staffs of many of the unified commands and train with the four DOD military services at a variety of levels.

The committee notes the unique dual nature of the Coast Guard as a uniformed military service and law enforcement agency. It is this unique nature that makes it ideally suited for its role in homeland security and argues for even closer interaction between the Coast Guard and the Department of Defense. Currently, the Commandant of the Coast Guard acts as a consultant to the Joint Chiefs of Staff when matters affecting the Coast Guard are under consideration. The committee strongly believes that closer interaction between the Department of Defense and the Coast Guard is vital to our national security. It therefore strongly encourages the Joint Chiefs of Staff to even more closely consult and work with the Commandant of the Coast Guard on issues relating to the defense of our nation, both overseas and at home.

LEGISLATIVE PROVISIONS

Section 901—Change in Title of Secretary of the Navy to Secretary of the Navy and Marine Corps

This section would redesignate the title of the Secretary of the Navy to the Secretary of the Navy and Marine Corps

Section 902—Redesignation of National Imagery and Mapping Agency as National Geospatial-Intelligence Agency

This section would rename the National Imagery and Mapping Agency (NIMA) the National Geospatial-Intelligence Agency and make conforming changes to existing statute.

Section 903—Pilot Program for Provision of Space Surveillance Network Services to Non-United States Government Entities

This section would allow United States and foreign, governmental and non-governmental entities to purchase satellite tracking services from assets owned or controlled by the Department of Defense. The Department already tracks most earth orbiting objects. The provision would make that tracking information available for a fee, consistent with national security requirements as determined by the Secretary of Defense. Sales to foreign entities would also require the approval of the Secretary of State.

Section 904—Clarification of Responsibility of Military Departments to Support Combatant Commands

This section would clarify the responsibility of the secretaries of the military departments. Current law only requires the secretaries to provide support to the combatant commands "to the maximum extent practical." This section would remove the phrase "to the maximum extent practical" in order to clarify that the war-fighting function of the combatant commands is the principal responsibility of the Department of Defense.

Section 905—Biennial Review of National Military Strategy by Chairman of the Joint Chiefs of Staff

This section would require the Chairman of the Joint Chiefs of Staff in conjunction with the Chiefs of the Armed Services and the commanders of the unified and specified commands to prepare a national military strategy that describes the threats to our national military objectives, and assesses the capabilities and adequacy of our forces and resources, basing and support necessary to achieve those objectives. It also requires an assessment of risk and the identification of the assumptions used in developing the assessment. A classified annex may be included, as necessary.

Section 108 of the National Security Act of 1947 (50 U.S.C. 404) and Section 118 of the National Defense Authorization Act for the Fiscal Year 2001 (Public Law 106–65) requires the President to prepare and provide Congress with a National Security Strategy and for the Secretary of Defense to submit a Quadrennial Defense Review to Congress every four years. However, there is no legal requirement for the Chairman of the Joint Chiefs of Staff to provide Congress with a national military strategy which would reflect the

collective military judgment to meet the requirements, goals and missions set forth in the President's National Security Strategy and the Secretary of Defense's Quadrennial Defense Review. Nevertheless, two national military strategy reports were issued in 1995 and 1997, thus establishing a precedent.

This provision would require submission of an initial report on the national military strategy not later than February 15, 2004, and every even numbered year thereafter. The provision also would request the Secretary of Defense to append his assessment of the report before submission to Congress.

This section would require a risk assessment, which in the years in which the National Military Strategy is submitted, would fulfill the requirement for an annual risk assessment under 10 U.S.C. 153(c). In all other years, the annual risk assessment would still be required as a stand-alone document.

The committee notes with concern the failure of the Chairman of the Joint Chiefs of Staff to produce the required annual assessment for the last two years. The Secretary of Defense submitted a letter to the committee on July 19, 2002, indicating that the risk assessment required by the time of the President's Fiscal Year 2002 budget request would not be submitted; and the 2003 assessment has not been submitted. The committee considers the annual risk assessment an important tool for assessing the adequacy of military capabilities to execute the National Security Strategy and the intent of the Quadrennial Defense Review, and strongly urges the Chairman to comply with this requirement by submitting the 2003 report as soon as possible.

Section 906—Authority for Acceptance by Asia-Pacific Center for Security Studies of Gifts and Donations from Non-foreign sources

This section would allow the Asia-Pacific Center for Security Studies to accept gifts from domestic sources. The center is currently allowed to accept gifts from foreign sources. This authority would allow the center to receive funds, research materials, and lecture and faculty services that would enhance the mission of the center and defray costs. The Army and Naval War Colleges, the Naval Postgraduate Schools, and the Military Academies are already authorized to receive gifts from domestic sources.

Section 907—Repeal of Rotating Chairmanship of Economic Adjustment Committee

This section would authorize the Secretary of Defense to serve as the permanent chairman of the Economic Adjustment Committee.

Section 908—Pilot Program for Improved Civilian Personnel Management

This section would require the Secretary of Defense to establish a pilot program for Improved Civilian Personnel Management to assess the utility of an automated civilian personnel management program to provide needed improvements in the Department's current management performance. The committee is aware of the existence of automated workforce management systems for civilian personnel management that have, in other governmental entities, demonstrated the capacity to substantially reduce hiring cycle

times, lower labor costs, increase efficiency, improve performance management, and provide better management reporting. This section would authorize the Secretary to establish a pilot program at one regional civilian personnel center in each of the military departments using an automated civilian personnel management system with the objective of assessing the potential utility of the automated system to provide the desired improvements.

Section 909—Extension of Certain Authorities Applicable to the Pentagon Reservation to Include Designated Pentagon Continuity-of-Government Locations

This section would expand the current definition of Pentagon Reservation to include property at the Raven Rock Mountain Complex, and other parcels of land within a 100 mile radius of the District of Columbia, to the extent such property may be utilized as a facility relating to continuity of operations and continuity of government. The committee believes it is appropriate to consider this off-site facility an extension of the Pentagon and it is therefore appropriate to apply similar personnel and funding rules.

Section 910—Defense Acquisition Workforce Reductions

This section would require the Secretary of Defense to institute a reduction in the size of the defense acquisition workforce by twenty-five percent over a period of five years.

Section 911—Required Force Structure

This section would establish force structure floors for the U.S. Army, Navy and Air Force at the levels outlined in the 2001 Quadrennial Defense Review. U.S. Marine Corps force structure of three active divisions and three active air wings is already established in section 5063 of title 10 United States Code. The Army would be required to maintain 10 active and eight National Guard divisions or their equivalents, one active armored cavalry regiment, one light cavalry regiment, 15 National Guard enhanced brigades and other such active or reserve component combat, combat support and combat service support formations as are required. The Navy would consist of a force of not less than 305 active vessels. This fleet would include not less than 12 aircraft carrier battle groups, 12 amphibious ready groups, 55 attack submarines, 108 active and 8 reserve surface combatants and other such active and reserve forces as are necessary to support the fleet. The Air Force would consist of not less than 46 active and 38 National Guard and Reserve fighter squadrons or their equivalents, 96 active combat-coded bomber aircraft, and other such active and reserve component formations as may be necessary to support the force.

The committee notes that the terrorist attacks on September 11, 2001, the global war on terrorism, the fall of the Taliban in Afghanistan, and the elimination of Saddam Hussein's regime in Iraq have significantly altered the strategic landscape facing the United States. As such, the committee understands that the Department of Defense has undertaken a series of studies to understand the ramifications of these events and to develop a new force structure and global military posture. At the same time, the committee understands the Department's desire to accelerate the transformation

of the force to meet the challenges of the 21st century, as well as to adjust the location and number of military bases both overseas and in the United States. Given the fluid nature of the current security environment, the committee feels it would be premature for the Department to reduce or radically change the current military force structure and its related basing posture until these studies are complete and their findings have been examined. Therefore, the committee recommends that the force structure outlined in the 2001 Quadrennial Defense Review be maintained until the Congress can review the findings of the on-going studies in order to determine the proper force structure and global military posture needed to meet this new security environment.

TITLE X—GENERAL PROVISIONS

ITEMS OF SPECIAL INTEREST

COUNTER-DRUG ACTIVITIES

Overview

The budget request contained $817.3 million for drug interdiction and counter-drug activities, in addition to $159.9 million, for operational tempo which is included within the operating budgets of the military services. The budget is organized in fiscal year 2004 to address three broad national priorities: (1) demand reduction; (2) domestic support; and (3) international support.

The committee recommends an authorization for fiscal year 2004 Department of Defense counter-drug activities as follows:

FY04 Drug Interdiction and Counter-Drug Request	$817,300
Demand Reduction	116,000
Domestic Support	172,700
International Support	528,600
Recommended Decreases:	
Intelligence, surveillance, reconnaissance and tanker support	2,000
Ground based end game operations (infrastructure)	3,500
Airborne Reconnaissance Low (ARL)	2,000
Maritime patrol aircraft upgrades	2,000
Hemispheric radar system	1,000
Counter-drug Command Management System	2,000
Pacific command operations support	1,200
Recommended Increases	
Southwest Border Fence	6,700
Intelligence analysts and mobile training teams.	5,000
Counter-drug airborne intelligence systems	2,000
Recommendation	817,300

Items of Special Interest

Intelligence, surveillance, and reconnaissance and tanker support

The budget request contained $4.6 million for KC –135 tanker operations in support of counter-drug Airborne Early Warning and Control System (AWACS) missions. Reductions in support activities are planned, in light of other worldwide commitments. Accordingly, the committee recommends a decrease of $2.0 million for this activity.

Ground based end game operations

The budget request contained $38.1 million for ground based end game operations (GBEGO). This program provides counter-drug training to develop or sustain operational capabilities, including the Colombian aviation training program. Infrastructure projects are also provided for in this activity. The committee notes that the prior year budget request for this activity was $29.8 million. The committee understands that certain infrastructure projects that were initially programmed in this year's budget request will not be started in the upcoming fiscal year. Accordingly, the committee recommends a decrease of $3.5 million for this activity.

Airborne Reconnaissance Low

The budget request contained $10.6 million for funding of the airborne reconnaissance low (ARL) program. This budget request for this activity in fiscal year 2003 was $10.9 million. The budget request for similar activities in fiscal year 2002 was only $6.3 million. The committee understands, as the result of better cost estimates, that the budget request of $10.6 million can be reduced without affecting the operation or the effectiveness of the program, and that similar revisions in the fiscal year 2003 budget for this activity are also being planned. Accordingly, the committee recommends a decrease of $2.0 million for this activity.

Maritime patrol aircraft upgrades

The budget request contained $7.7 million for maritime patrol aircraft (MPA) upgrades to the Navy's P–3 counter-narcotic operations radar upgrades.

This program plans to upgrade 10 of the current APS–115 on board these aircraft to the APG–66 pulse-doppler radar, however the committee understands that due to a technical problem within the identification friend or foe (IFF) interrogator, the APG–66 will not be ready for installation within the upcoming fiscal year. Therefore, the committee recommends a decrease of $2.0 million for this activity.

Hemispheric radar system

The budget request contained $24.1 million for the hemispheric radar system. The committee is aware that three radar sites are proposed for closure and that the revised costs estimates for this project as well as others, are lower than initially expected. Therefore, the committee recommends a decrease of $1.0 million for this activity.

Counter-Drug Command and Management System

The budget request contained $18.6 million for voice and date communications capabilities to support U.S. counter-drug operations in source and transit zones. The committee understands the importance of secure communications to counter-drug activities, but notes the redundancy of this system with others in the region that link embassies and other key players. The committee therefore recommends a decrease of $2.0 million for this activity.

Pacific command operations support

The budget request contained $2.4 million for services and training support to U.S. and participating nation law enforcement entities in Southeast and Southwest Asia. While the committee supports expanding counter-drug programs in the Pacific Command area of responsibility, the committee understands that this is not yet a mature program and looks forward to receiving future details. For fiscal year 2004, however, the committee recommends a decrease of $1.2 million for this activity.

Southwest Border Fence

As part of the San Diego 14–Mile Border Infrastructure System, the Southwest Border Fence has served as an invaluable counter-narcotics resource for United States Border Patrol agents since the project's inception in 1997. However, the border fence construction project is still under construction, and the area remains one of the nation's most heavily utilized drug smuggling corridors. Since 1998, the California National Guard and other military personnel have been responsible for fence construction and general support of the border infrastructure system. Completion of the border fence would constitute a cohesive barrier against vehicle and pedestrian narcotics trafficking and allow counter-drug assets to be redeployed in other areas. Accordingly, the committee recommends an increase of $6.7 million for this purpose.

Intelligence analysts and mobile training teams

At the present time the United States Northern Command (USNORTHCOM) conducts over 200 intelligence analysts missions each year through Joint Task Force–6 located at Fort Bliss, Texas. These intelligence analysts support investigative law enforcement centers nationwide and their actions have resulted in law enforcement agencies seizing illicit drugs and cash, as well as making thousands of arrests. The mobile training teams help train federal, state, and local law enforcement agencies across the country on a wide variety of subjects. The committee is concerned that current funding levels will reduce the number of intelligence analyst missions that will be performed in fiscal year 2004. The committee believes this result is not acceptable. The committee also believes that the expansion of the mobile training teams will assist USNORTHCOM in its homeland defense mission. Accordingly, the committee recommends an increase of $5.0 million for the intelligence analyst and mobile training team missions to be conducted by Joint Task Force–6.

Counter-drug airborne intelligence systems

The budget request contained $135.6 million to support operations and maintenance, personnel and procurement for the Defense Intelligence Counter-drug Program (DICP) for airborne and analysis support to Department of Defense (DOD) counter-drug operations.

The committee is well aware of the military role in the National Drug Control Strategy in countering transnational narcotic and narco-terrorist threats, but is also aware that these efforts are not adequately managed throughout the DOD. The committee believes that DICP surveillance aircraft, their tactical operations, and sup-

port personnel issues are often critically overlooked within this program. The committee notes that specifically, the Senior Scout and the P–3 Orion collection platforms are not well equipped to perform their missions effectively. The P–3 Orion has the endurance for the counter-narcotics mission profile, but has none of the collection gathering equipment on board to ensure its success. The Senior Scout has all of the equipment however no dedicated carrier to perform the mission. Furthermore, Senior Scout has a limited and finite number of trained reserve analysts to deploy during extended operations.

Accordingly, the committee recommends an increase of $2.0 million to enable the Secretary of Defense to provide the Senior Scout mission with a permanent carrier. Additionally, the committee recommends that $500,000 of this increase be used to support an active/reserve joint component to the Senior Scout support element. This unit will be used to provide specialized airborne mission support personnel for extended operations. The committee remains concerned with the lack of investment in the Navy's maritime P–3 data transfer capabilities. Therefore the committee recommends that the Secretary of Defense develop a plan that will allow for the basing of tactical data link capabilities on board these aircraft in order to allow for improved imagery and data transfer within the operational theater, as well as the capability to reach back to locations outside the theater.

Expanded use of National Guard counter-drug aircraft

The committee is aware that the Department of Defense (DOD) is considering utilizing

Air National Guard C–26 aircraft in support of a deployment in the United States Southern Command (SOUTHCOM) area of responsibility which could lead to operational deficiencies within their present tasking.

These C–26 aircraft currently perform aerial detection, intelligence, reconnaissance, and surveillance in support of federal, state and local law enforcement counter-drug activities operating within the United States. The aircraft and aircrews are based in 11 states and are available to carry out their mission on a 24–hour, seven days a week basis.

The committee recognizes the unique capabilities of the C–26 and its effectiveness in support of the war on drugs in the United States. The committee is concerned that the depletion of such air assets to SOUTHCOM may have a negative impact upon ongoing and future counter-narcotics investigations and operations conducted by federal, state and local law enforcement agencies within the United States.

The committee has questions about the suitability of the C–26 to successfully meet the performance criteria for the proposed mission in SOUTHCOM. The C–26 personnel and aircraft may be placed at great risk as a result of tactical and operational threats they will face in such a mission. Additionally, the committee believes that the possibility of a long-term deployment commitment to SOUTHCOM is likely.

Therefore the committee expects the Secretary of Defense to prepare an assessment that will address the following matters:

(1) The impact of the depletion of such assets performing aerial detection, intelligence, reconnaissance, and surveillance upon the federal, state and local law enforcement agencies currently supported by the National Guard C–26 aircraft.

(2) Suitability of C–26 aircrew and aircraft to perform missions outside of the contiguous United States, particularly in the SOUTHCOM area of responsibility.

(3) Adequacy of crew training, equipment and aircraft defensive systems to perform the proposed mission.

(4) Limitations of airframe performance with respect to tactical and operational threats faced in proposed area of operations.

(5) Potential use of alternative platforms to perform the proposed SOUTHCOM mission.

Accordingly, the committee also expects the Secretary of Defense to develop a plan to address the issues raised in the assessment prior to establishing any deployments of the C–26 aircraft to the SOUTHCOM area of responsibility. A copy of the assessment and the plan should be submitted to the House Armed Services Committee as soon as feasible.

GLOBAL WAR ON TERRORISM

Overview

The committee believes that the men and women who serve in the armed forces have made the world immeasurably safer for Americans and all the people of the world through their heroic actions of the last two years. Indeed, the Department of Defense has led the way in the global war on terrorism, achieving significant victories. While the Department of Homeland Security will have a leading role in defending the nation from terrorist activities, the committee believes the Department of Defense will continue to be the nation's most important asset in this war. In that regard, the Subcommittee on Terrorism, Unconventional Threats and Capabilities has held a series of hearings, briefings, trips, and informal meetings in order to stimulate thinking and advance promising initiatives, and has heard several compelling ideas.

In general terms, the subcommittee has found, unsurprisingly, that America's best defense lies in keeping terrorists and their weapons far from our shores. Several policy initiatives have been suggested to advance that goal. Among them are insuring the Department has the means to thwart terrorists overseas through robust and integrated intelligence gathering and synthesizing activities and providing the forces and weapons necessary to use that intelligence at the right time. The committee supports a broad range of these ideas, which are discussed in more detail below.

Effective use of the National Guard

The committee believes that the national guard will continue to play a key role in the war on terrorism and be mobilized in both a federal and state capacity for missions ranging from overseas deployment for combat operations to responding to potential or actual terrorist events within the United States. On one hand, the committee has heard testimony urging modification of title 32 United States Code to permit the national guard to perform operational missions for homeland security under the control of the respective

state governor. Such a change, it is argued, not only facilitates state actions in homeland defense, but also avoids the limitations of the posse comitatus law prohibiting the use of federal troops for law enforcement purposes. On the other hand, the committee has heard the concern that allowing the national guard to conduct operational missions under title 32 status would not allow clear command relationships and responsibilities to function, and would not facilitate the establishment and accomplishment of consistent requirements among national guard units. The committee believes that legislation may be needed to address the situation, and directs the Secretary of Defense to examine, in consultation with the Chief, National Guard Bureau, the manner in which the national guard is called to active duty for homeland defense missions and recommend any changes he believes are necessary to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.

Integration of Departments of Defense and Homeland Security Activities

The committee is encouraged by the rapid progress the Department of Homeland Security is making in assuming operational control of its disparate activities. The committee noted earlier and restates the importance of the Department of Defense in the homeland security effort, and encourages the departments to coordinate their activities as seamlessly as possible. Inevitably, there will be some duplication of effort until the best solutions are agreed upon, but the secretaries of these departments should coordinate as much as possible such important activities as border defense, use of actionable intelligence, plans for use of the national guard as a first responder, and development of vaccines and various other countermeasures that have been suggested to the committee.

United States Northern Command

The committee believes that the Northern Command (NORTHCOM) is another key component of the war on terrorism. In addition to the ongoing work of the command to establish relationships with first responders and the several states, the committee believes the command could play an important role in interdicting the importation of weapons of mass destruction. The command already has that mission for the defense of the nation from air attack, by virtue of its close relationship with the North American Aerospace Defense Command. While recognizing the need to maintain an effective defense against conventional maritime threats, the committee further believes that during the global war on terrorism, the threat of a weapon of mass destruction arriving unchecked at a U.S. port aboard a foreign vessel is a serious concern and, therefore, supports the development by NORTHCOM of a maritime defense strategy that will ensure the defeat of asymmetric terrorist threats at maximum distance from the United States coastline.

United States Special Operations Command

The Special Operations Command (SOCOM) is clearly a treasured national asset in the war on terrorism and our best asset in disrupting the enemy in foreign lands. This highly trained, but rel-

atively small force, has undertaken and brilliantly executed the difficult missions in both Operation Enduring Freedom in Afghanistan and Operation Iraqi Freedom. The committee fully supports the increases in SOCOM's budget and have recommended increases to several SOCOM unfunded requirements. While the committee understands that there are relatively few SOCOM operators and supports the proposed end strength increases, the committee concurs with SOCOM senior commanders that personnel standards must not be compromised in order to achieve a larger force.

The committee applauds the Secretary of Defense's decision to designate SOCOM as a supported command in some cases. The committee notes, however, that section 167 of title 10, United States Code, requires that SOCOM missions be carried out under the command of the respective combatant commander unless the President or Secretary of Defense directs that SOCOM undertakes the mission. The committee is concerned that the language of the statute may be too restrictive to permit the timely execution of selected missions and directs the Secretary of Defense to review the law and report to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives by February 1, 2004, whether any changes are necessary.

STRATEGIC FORCE STRUCTURE

The Treaty between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms of July 31, 1991 (the START Treaty) currently limits the United States and Russia to 6000 accountable strategic warheads.

As required by section 1041 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398), the most recent Nuclear Posture Review (NPR) was submitted to Congress on January 8, 2002. The NPR describes a future deployed, strategic stockpile of 1700 to 2200 warheads in fiscal year 2012, with an intermediate objective of 3800 warheads in fiscal year 2007.

The Moscow Treaty on Strategic Offensive Reduction (the Moscow Treaty), signed by President Bush of the United States and President Putin of the Russian Federation on May 24, 2002, reaffirms the provisions of the START Treaty, and on ratification will commit the United States and Russia to a reduction of deployed, strategic stockpiles to 1700 to 2200 warheads by December 31, 2012. The United States Senate approved the Moscow Treaty on March 6, 2003, and its consideration by the Russian Federal Assembly is pending.

Section 1031 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314) required the Secretary of Defense and the Secretary of Energy to jointly prepare a force structure plan for nuclear weapons and delivery systems covering fiscal years 2003 to 2012. The section further required submission of a report on that plan to the congressional defense committees by March 1, 2003. The committee has not received this report, and has recently been informed that it could take through the end of fiscal year 2003 to complete.

The committee finds it disturbing and unacceptable that the administration intends to commit to dramatic changes to the strategic

nuclear deterrent of the United States absent a clear path forward. The committee admonishes the Departments of Defense and Energy to move forward expeditiously in their planning processes.

LEGISLATIVE PROVISIONS

SUBTITLE A—FINANCIAL MATTERS

Section 1001—Transfer Authority

This section would provide fiscal year 2003 transfer authority to the Department of Defense for amounts up to $2.5 billion.

Section 1002—Authorization of Supplemental Appropriations for Fiscal Year 2003

This section would authorize amounts enacted in the Emergency Wartime Supplemental Act, 2002 (Public Law 108–011) for the Department of Defense and for the national security activities of the Department of Energy.

This section would also authorize those defense items appropriated pursuant to any fiscal year 2003 emergency wartime supplemental appropriations legislation enacted during the first session of the 108th Congress.

Section 1003—Authority To Transfer Procurement Funds for a Major Defense Acquisition Program for Continued Development Work on that Program

This section would amend section 2114 of title 10, United States Code, to provide the Secretary of Defense additional flexibility to correct specific acquisition funding problems that occur during the transition phase of an acquisition program from development to production. Currently, there is no management flexibility to resolve last-minute development problems quickly before a program transitions into production. This section would allow the transfer of $20.0 million per acquisition program and up to $250.0 million for a single fiscal year from procurement appropriations to research, development, test and evaluation appropriations for the purpose of continuing development efforts. The section shall not apply with respect to funds appropriated for a fiscal year before fiscal year 2004.

Section 1004—Restoration of Authority to Enter into 12-month Leases at any Time During the Fiscal Year

This section would restore the authority of the Department of Defense to enter into 12-month leases at any time during the fiscal year.

Section 1005—Authority for Retention of Additional Amounts Realized from Energy Cost Savings

This section would allow the Department of Defense to obligate all funds representing energy cost savings, not just two-thirds of such funds, through the end of the fiscal year without additional authorization or appropriation.

Section 1006—Repeal of Requirement for Two-Year Budget Cycle for the Department of Defense

This section would repeal the requirement for the Department to submit a two-year budget every other year. This requirement was established in Section 1405 of the Department of Defense Authorization Act for Fiscal Year 1986 (Public Law 99–145; section 1105 of title 10 United States Code). The purpose of implementing a two-year budget cycle was to increase efficiencies in planning and management of Department funds. The Department has complied with submitting a two-year budget every other year, but continues to submit a budget request in the intervening year. As a result of real world events during the 1990s and the continuing global war on terrorism, the Department often significantly revised its budget request in the intervening year. This appreciably changes the programs outlined in the second year of a two-year budget. The committee realizes that if the Department continues to submit a budget every year, any efficiency gained in presenting a two-year budget is not realized. Accordingly, the committee recommends that the Department submit one-year budgets on an annual basis.

Section 1007—Authority To Provide Reimbursement for Cellular Telephones When Used for Official Government Business

This section would allow the Department of Defense to reimburse individuals with a validated need for an official government cellular telephone using a flat rate or monthly stipend for such individuals' use of their personal cellular telephone.

SUBTITLE B—NAVAL VESSELS AND SHIPYARDS

Section 1011—Repeal of Requirement Regarding Preservation of Surge Capability for Naval Surface Combatants

This section would repeal subsection (b) of section 7296 of title 10, United States Code, and would include associated clerical amendments.

Section 1012—Enhancement of Authority Relating to Use for Experimental Purposes of Vessels Stricken from Naval Vessel Register

This section would allow a contractor or designated agent to sell equipment taken from a stricken vessel on behalf of the Navy and would authorize those funds to be returned to the Navy.

Section 1013—Authorization for Transfer of Vessels Stricken From the Naval Vessel Register for Use as Artificial Reefs

This section would authorize the Secretary of the Navy to transfer vessels stricken from the Naval Vessel Register to States or other political entities of the United States for use as artificial reefs. This section would also authorize the Secretary of the Navy to tailor transfer agreements between the Navy and recipient, based upon the specific circumstances and characteristics of the vessel. Additionally, this section would authorize the Secretary of the Navy to provide financial assistance for the transfer and preparation of vessels for reefing. Nothing in this section should be con-

strued as amending or repealing any existing environmental rules or regulations.

Section 1014—Pilot Program for Sealift Ship Construction

This section would establish a pilot program administered by the Navy that would provide loan guarantee assistance to construct militarily useful sealift ships in the United States. Approval would be handled by the Department of Defense, and administered by the Department of Transportation.

SUBTITLE C—REPORTS

Section 1021—Repeal and Modification of Various Reporting Requirements Applicable to the Department of Defense

This section would repeal or modify a number of reporting requirements contained in title 10, United States Code, annual National Defense Authorization Acts, and other statutes.

Section 1022—Department of Defense Report on the Conduct of Operation Iraqi Freedom

This section would require the Secretary of Department of Defense to provide a report to the Congress on the conduct of Operation Iraqi Freedom. On March 19, 2003, U.S. forces initiated operations in Iraq in order to overthrown the regime of Saddam Hussein. Major combat Operations ceased on April 14, 2003, with U.S. forces having defeated Iraqi military forces and removed the regime from power.

The lessons learned from this operation will have far reaching implications for U.S. military strategy, doctrine, equipment procurement and force structure in the years to come. The committee believes that Congress must have detailed information and analysis concerning operation Iraqi Freedom in order to apply the lessons learned to future defense funding and policy decisions. Therefore, the committee would require a report to Congress by June 15, 2004 on the conduct of Operation Iraqi Freedom. A preliminary report would be submitted by January 15, 2004.

Section 1023—Report on Department of Defense Post-Conflict Activities in Iraq

This provision would require the Secretary of Defense to report to Congress, within 90 days of the enactment of this Act, on the range of Department of Defense (DOD) civilian and military activities in post-conflict Iraq. The report should include explanations of the organizational structure by which the Defense Department has managed post-conflict activities in Iraq and the relationship of these institutions with other departments and agencies of the U.S. government and with intergovernmental and nongovernmental organizations. The report should also describe the progress to date of U.S. efforts in the humanitarian, infrastructure, civil administration, and governance fields, as well as of the efforts to account for Iraq weapons of mass destruction programs and to provide security until Iraqi institutions can adequately take over this function. Finally, the report asks for the Secretary's assessment of DOD resources needed on an ongoing basis, including an estimate of total

expenditures expected, and of the scope of tasks remaining to be completed by U.S. government civilian employees in Iraq.

The committee recognizes that the effort to help rebuild and assist in the development of governing institutions in Iraq is a significant undertaking requiring a variety of resources. Uniquely among recent reconstruction efforts, the Department of Defense is providing overall direction of the U.S. government's effort to assist in Iraq's post-conflict transition. The committee therefore seeks to understand better how these efforts have been coordinated and how the Department has incorporated the expertise of other U.S. departments and agencies, as well as those of the intergovernmental and nongovernmental organizations. The Secretary's assessment of the progress made to date and of the ongoing force and civilian support needs will allow Congress to make more informed decisions about future force and policy needs.

Section 1024—Report on Development of Mechanisms to Better Connect Department of Defense Space Capabilities to the War Fighter

This section would require the Secretary of Defense to submit a report to the congressional defense committees on development of Department of Defense space-based capabilities for the war fighter.

SUBTITLE D—PROCUREMENT OF DEFENSE BIOMEDICAL COUNTERMEASURES

This subtitle would authorize the Secretary of Defense to develop, procure, and prescribe conditions for use of available biomedical countermeasures to chemical, biological, radiological, or nuclear agents that could cause military health emergencies affecting national security.

Section 1031—Research and Development of Defense Bio-Medical Countermeasures

This section would require the Secretary of Defense to establish and carry out a program to accelerate the research and development of biomedical countermeasures, including therapeutics and vaccines, for protecting members of the Armed Forces from attack by chemical, biological, radiological, or nuclear (CBRN) agents. The Secretary would be permitted to enter into interagency agreements and other collaborative programs with other Federal agencies and must also ensure that the activities of the Department of Defense are coordinated, complement, and do no unnecessarily duplicate those of the Department of Health and Human Services and of Homeland Security. The provision would authorize to the Secretary expedited authority for procurement of property and services in executing the program. The Secretary would also be authorized to acquire laboratories, other research facilities, and equipment that he determines are necessary to carry out the program. Streamlined personnel authority outside the civil service would be granted for hiring up to 30 personnel to carry out research and development under the program.

Section 1032—Procurement of Defense Biomedical Countermeasures

This provision would require the Secretary of Defense, in consultation with the Sectaries of Health and Human Services and of Homeland Defense, to assess emerging threats of the use of CBRN agents, identify those agents for which biomedical countermeasures are need to protect the health of members of the Armed Forces, and those specific qualified countermeasures that should be procured for the DOD stockpile of biomedical countermeasures. Qualified biological countermeasures would include those already approved or licensed for use and those developmental products that could reasonably be expected to qualify for such approval within five years. The provision would also authorize for procurement of such qualified biological countermeasures the use of funds appropriated for the Department of Defense and available within the Secretary's transfer authority.

Section 1033—Authorization for Use of Medical Products in Emergencies

This provision would define the conditions under which the Secretary of Defense cold declare a state of emergency regarding a military emergency involving a heightened risk to the Armed Forces of attach by a chemical, biological, radiological, or nuclear agent, and would permit the Secretary of Defense to authorize the use on members of the Armed Forces of a drug or device intended for use in an actual or potential emergency. Criteria for the authorization would include a joint determination that the agent can cause a serious or life-threatening disease or condition and it is reasonable to expect that the biological countermeasure may be effective or the benefits of using the countermeasure outweigh the risks of using the countermeasure, and there is no alternative available. The conditions under which the countermeasures could be used are identical to those current in effect under section 731(a) of the Strom Thurmond National Defense Authorization Act for Fiscal year 1999 for the use of investigational new drugs.

SUBTITLE E—OTHER MATTERS

Section 1041—Codification and Revision of Defense Counterintelligence Polygraph Program Authority

This section would remove existing limits on the number of polygraph examinations that the Department of Defense may administer in any fiscal year. Under the current program established in section 1121 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (P.L. 100–180) and amended in section 1073(d)(5) of the National Defense Authorization Act for Fiscal Year 1998 (P.L. 105–85), no more than 5,000 polygraph examinations may be conducted per fiscal year. Section 1041 would expand the categories of individuals who may be required to undergo polygraph examinations. These two categories include persons who are applying for positions within the Department and persons who are assigned or detailed to the Department. This section would also instruct the Secretary of Defense to institute a process to monitor responsible and effective application of polygraphs within the Depart-

ment of Defense. In lieu of the existing reporting requirement, this section would require the Secretary to make information on the use of polygraphs available to the congressional defense committees.

Section 1042—Codification and Revision of Limitation on Modification of Major Items of Equipment Scheduled for Retirement or Disposal

This section would revise existing reporting requirements on modifications to aircraft, weapons, vessels, and other items of equipment scheduled to be retired or disposed of within five years. This section would relieve the secretary of a military department from reporting on any modification for which the cost is less than $1.0 million.

Section 1043—Additional Definitions for Purposes of Title 10, United States Code

This section would define in section 101 of title 10 United States Code, the definitions of the terms "congressional defense committees" and "base closure law."

Section 1044—Inclusion of Annual Military Construction Authorization Request in Annual Defense Authorization Request

This section would require the Secretary of Defense to transmit to Congress the annual military construction authorization request as part of the annual defense authorization request, and that this request be transmitted within 30 days of the date the President transmits to Congress the budget request for that fiscal year.

Section 1045—Technical and Clerical Amendments

This section would make a number of technical and clerical amendments to existing law of a non-substantive basis.

Section 1046—Authority to Provide Living Quarters for Certain Students in Cooperative and Summer Education Programs of the National Security Agency

This section would amend section 2195 of title 10, United States Code, to allow the National Security Agency to provide and pay for living quarters for qualifying students who are employed at the National Security Agency under a Student Educational Employment Program or a similar cooperative or summer education program.

Section 1047—Use of Drug Interdiction and Counter-Drug Funds to Support Activities of the Government of Colombia

This section would authorize the Secretary of Defense to use funds available for drug interdiction and counter drug activities to provide assistance to the government of Columbia to support not only a unified campaign against narcotics trafficking, but to also support a unified campaign against activities by organizations designated as terrorist organizations.

Section 1048—Authority for Joint Task Forces To Provide Support to Law Enforcement Agencies Conducting Counter-Terrorism Activities

This section would authorize those joint task forces (JTFs) of the Department of Defense that provide support to law enforcement agencies conducting counter-drug activities, namely JTFs 4, 5, and 6, to provide similar support to law enforcement agencies conducting counter-terrorism activities. Any support provided under this section must be consistent with all applicable laws and regulations, and the support may only be provided in the geographic area of responsibility of the joint task force. The committee notes that these JTFs have made critical contributions to the counter-drug mission and notes that their focus on drug flows into the United States could have great relevance to terrorist movements across our borders as well. The committee believes that Northern Command should make use of these capabilities as it develops counter-terrorism programs.

Section 1049—Use of National Driver Register for Personnel Security Investigations and Determinations

This section would authorize access to the National Driver Register by federal agencies for use in personnel security investigations and determinations and for use in personnel investigations with regard to federal employment. The National Driver Register is a cooperative system managed by the Secretary of Transportation under which the chief driver licensing official in each state provides driver licensing records to the Register. Access to the information is currently provided to multiple federal agencies.

Section 1050—Protection of Operational Files of the National Security Agency

This section would allow the Director of the National Security Agency, in coordination with the Director of the Central Intelligence Agency, to exempt limited categories of sensitive National Security Agency files from the search, review, and disclosure provisions of the Freedom of Information Act, contained in section 552 of title 5 United States Code. This authority parallels the authority currently available to the Central Intelligence Agency, National Imagery Mapping Agency, and the National Reconnaissance Office.

Section 1051—Assistance for Study of Feasibility of Biennial International Air Trade Show in the United States and for Initial Implementation

This section would require the Secretary of Defense to select and provide assistance to a community in conducting a joint study to determine the feasibility of establishing an international air trade show in that community. The committee believes that international air trade shows are an important component of efforts to demonstrate the effectiveness of United States military equipment to other nations and seeks to increase the importance of U.S. based air trade shows in the conduct of international aerospace trade. This provision would also require that the Secretary make his selection through competitive procedures, while giving preference to

communities that already host an air show, such as Dayton, Ohio, and have demonstrated a history of supporting air shows with local resources.

Section 1052—Continuation of Reasonable Access to Military Installations for Personal Commercial Solicitation

The committee has become aware of concerns from private sector insurance and financial planning companies that the Department of Defense intends to revise the Department's regulations on commercial solicitation on military installations to limit the access of service members to competitive insurance and financial planning services and unfairly restrict the ability of private sector companies to compete for the business of service members in these important areas. Accordingly, this section would require the Secretary of Defense to submit to the Congress any amendments or other revisions, along with supporting rationale, relating to access to military installations for the purpose of conducting limited personal commercial solicitation. The amendment would further require that any changes may not be effective until 90 days have expired beginning on the date the Secretary submits the changes to the Congress.

Section 1053—Commission on Nuclear Strategy of the United States

This section would establish a Commission on Nuclear Strategy of the United States to assess and make recommendations about current United States strategy as described by the Nuclear Posture Review and other planning documents, as well as possible alternative strategies that could be pursued over the next 20 years. The Commission would have broad purview to consider matters of policy, force structure, stockpile stewardship, and estimates of threats and force requirements, and would have the authority to hold hearings and take testimony.

The Secretary of Defense, in consultation with the chairmen and ranking minority members of the Committees on Armed Services of the Senate and House of Representatives, would appoint 12 members to serve on the Commission, and designate one of the commission members as chairman. The Commission would convene its first meeting not later than 60 days after the appointment of all its members. The Commission would report its findings to the Secretary of Defense and the Committees on Armed Services of the Senate and House of Representatives not later than 18 months after the date of its first meeting, and terminate 60 days after reporting. Not later than one year after the Commission reports, the Secretary would submit to Congress a report commenting on the Commission's findings and recommendations, and explaining what actions, if any, the Secretary intends to take with respect to each of those recommendations.

The Secretary of Defense, in consultation with the Secretary of Energy, would contract with a Federally Funded Research and Development Center to provide for the organization, management, and support of the Commission. The Commission would receive the cooperation of all agencies and departments of the United States government.

Section 1054—Extension of Counterproliferation Program Review Committee

This section would amend section 1605(F) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 106–65) to extend the charter for the interagency Counter Proliferation Program Review Committee through September 30, 2008.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

LEGISLATIVE PROVISIONS

SUBTITLE A—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL GENERALLY

Section 1101—Modification of the Overtime Pay Cap

This section would amend section 5542(a)(2) of title 5, United States Code, to ensure that Federal employees who are exempt from the Fair Labor Standards Act, and are paid above step five of grade 12, do not suffer a pay cut when they work overtime.

Section 1102—Military Leave for Mobilized Federal Civilian Employees

This section would amend sections 6323, 5343(c)(4) and 5545(d) of title 5, United States Code, to assist mobilized Federal civilian employees, whose military pay is less than their Federal civilian salary, transition to military service by allowing them to receive 22 additional workdays of military leave.

Section 1103—Common Occupational and Health Standards for Differential Payments as a Consequence of Exposure to Asbestos

This section would amend sections 5343 and 5545 of title 5, United States Code, to establish a common standard for payment of hazardous duty differential pay for reason of exposure to asbestos for prevailing rate and general schedule federal employees.

Section 1104—Increase in Annual Student Loan Repayment Authority

This section would amend section 5379(b)(2)(A) of title 5, United States Code, to increase the annual amount that an agency can repay a highly qualified employee for a student loan from $6,000 to $10,000 per year without increasing the overall limit of $40,000.

Section 1105—Authorization for Cabinet Secretaries, Secretaries of Military Departments, and Heads of Executive Agencies to be Paid on a Biweekly Basis

This section would amend section 5504 of title 5, United States Code, to permit Cabinet Secretaries, Secretaries of the military departments and heads of Executive agencies to be paid on the same biweekly basis as most Federal employees rather than on a monthly basis.

Section 1106—Senior Executive Service and Performance

This section would amend provisions of chapter 53 of title 5, United States Code, relating to pay of senior executives. First, this section would remove the Senior Executive Service (SES) and the Federal Bureau of Investigation/Drug Enforcement Agency (FBI/DEA) SES from the list of employees eligible for locality pay. Second, the section would provide for a range of rates of basic pay for the SES, established according to OPM regulations. Each senior executive's pay would be set by the employing agency at one of the rates of the range on the basis of individual performance, contribution to agency performance, or both, as determined under a rigorous performance management system. The amendment would raise the maximum rate for Senior Executive Service positions from level IV to level III of the Executive Schedule. The provision would also provide for the adjustment of the applicable maximum to level II of the Executive Schedule for any agency that is certified as having a performance appraisal system that makes meaningful distinctions among senior executives, based on their relative performance as that system is both designed and applied. Finally, this section would provide a new standard for determining the applicability of one of the post-employment restrictions to those who are in the Senior Executive Service or equivalent positions in other pay systems. The restriction would apply to those individuals whose rate of basic pay exceeds 96 percent of the rate for level II of the Executive Schedule. Employees in positions currently described by section 207(c)(2)(A)(ii) would continue to be subject to this one-year, post-employment restriction upon leaving that senior position at any time during the two years following enactment of this Act. When that two-year period is complete, any such individual who is still an officer or employee in the executive branch in a position other than that described in clauses (i), (iii), and (iv) of section 207(c)(2)(A), will be a senior employee only if he or she meets the new salary threshold in clause (ii) of that section.

Section 1107—Design Elements of Pay-for-Performance Systems in Demonstration Projects

This section would provide specific elements to be incorporated into any pay-for-performance system established in a demonstration project under chapter 47, including adherence to merit principles, a fair, credible and transparent employee appraisal system, a link between the pay-for-performance system and the agency's strategic plan, adequate training, a means for ensuring employee feedback, and effective safeguards.

Section 1108—Federal Flexible Benefits Plan Administrative Costs

This section would prohibit agencies that provide or plan to provide flexible benefits plans for its employees from imposing any fees related to the program on its employees in order to defray the administrative costs associated with such option. This section would also require a number of reporting requirements associated with the benefits plans.

Section 1109—Clarification to Hatch Act; Limitation on Disclosure of Certain Records

This section includes legislation introduced by Chairman Davis (H.R. 1509) that would clarify that a federal employee who voluntarily separates from the civil service shall not be subject to the enforcement provisions of the Hatch Act unless he or she re-enters the civil service.

Section 1110—Employee Surveys

This section would authorize executive agencies to conduct annual surveys of their employees in order to assess: the leadership and management practices that contribute to agency performance; employee satisfaction with leadership policies and practices, work environment and rewards and recognition for professional accomplishment and personal contributions to achieving organization mission; opportunity for professional development and growth; and opportunity to contribute to achieving organizational mission. OPM would issue regulations prescribing survey questions to address these issues. Results of such surveys would be available to the public and posted on agency websites, unless the head of an agency determines that doing so would jeopardize or negatively impact national security.

SUBTITLE B—DEPARTMENT OF DEFENSE NATIONAL SECURITY PERSONNEL SYSTEM

Section 1111—Department of Defense National Security Personnel System

This section would amend title 5 of the United States Code by adding a new chapter 99 at the end of subpart I of part III. The new chapter would contain the following sections.

Section 9901 would provide definitions of various terms used throughout the new chapter.

Section 9902 would authorize the Secretary of Defense to establish a civilian human resources management system, based on the system created in section 841 of the Homeland Security Act of 2002 (Public Law 107–296) for the Department of Homeland Security, to enable the Department to fulfill its national security mission. This system would be merit-based. It also would protect veterans' preference and provide for collective bargaining at the national level in addition to local collective bargaining. In developing this system, the Director of the Office of Personnel and Management would serve as a strategic and collaborative partner. Consistent with the Secretary's broad authority to manage military personnel, the Secretary also would exercise broad authority to manage DOD civilian personnel, subject to the decision of the President, provided he certifies that such authority would be essential to the national security. This section would further:

(1) Provide for a collaborative process, based on the model established in the Homeland Security Act of 2002, (Public Law 107–296), for ensuring inclusion of employee representatives in the planning, development, and implementation of the human resources management system, while allowing the Secretary to conduct such collaboration at the national level;

(2) Require the establishment of an appeals process that provides that employees of the Department of Defense are entitled to fair treatment in any appeals they bring in decisions relating to their employment, which would include an independent review panel;

(3) Establish a program under which employees would be eligible for early retirement, offered separation pay to separate from the service voluntarily, or both, for purposes of reducing or restructuring the workforce;

(4) Require the system developed under this chapter to comply with provisions in current law relating to political activity, oath of office, access to criminal history records for national security and other purposes, the Ethics in Government Act, and Inspector General Act;

(5) Allow annuitants who become employed in the Department to retain their annuities;

(6) Cap DOD Senior Executive Service pay, allowances, differentials, bonuses, awards and other payments at no more than the Vice President's total annual compensation; and

(7) Authorize the Secretary of Defense to waive those provisions of title 5, United States Code, including chapters 71, 75, and 77, not specifically listed in the section as unwaivable.

Section 9903 would authorize the Department to hire highly qualified experts for up to five years, with the possibility of a one-year extension, and to prescribe the appropriate pay rates. It is consistent with the authority now available to the Defense Advanced Research Projects Agency and military departments for hiring scientists and engineers.

Section 9904 would authorize the Secretary of Defense to hire American citizens 55 years of age and older to work for the Department of Defense for up to two years, without a reduction in any annuity, pension, retirement pay, or similar payment, to fill needs that are not otherwise met by civilian employees.

Section 9905 would authorize DOD to align the allowances and benefits of certain employees outside the United States with those of the Foreign Service and the Central Intelligence Agency.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

OVERVIEW

As part of the global war on terrorism, the Department of Defense frequently finds itself working in cooperation with the military forces of other friendly nations. Title XII contains provisions that will streamline that cooperation and enhance United States national security.

ITEMS OF SPECIAL INTEREST

Euro-NATO Joint Jet Pilot Training (ENJJPT) Program

Over the past decade, the North Atlantic Treaty Organization (NATO) has evolved and expanded to reflect the changes in the world. Four years ago, Poland, the Czech Republic, and Hungary

joined the other 16 member nations to enhance European regional security.

One important mission of NATO is to protect the alliance's air space. In the past 22 years, NATO partners have come together in the Euro-North Atlantic Treaty Organization Joint Jet Pilot Training (ENJJPT) program to provide flight training to over 250 student pilots and 120 instructor pilots annually. ENJJPT not only produces skilled pilots, but also strengthens the NATO alliance through common training, exercises, and routine operations. The benefits of such a program, that brings a large number of future leaders together from allied nations in a common endeavor that builds character and long-term professional bonds, as well as technical skills, is difficult to overstate.

The leadership of the Department of Defense should work within NATO to encourage and facilitate active participation in ENJJPT by newer NATO members.

LEGISLATIVE PROVISIONS

Section 1201—Expansion of Authority to Provide Administrative Support and Services and Travel and Subsistence Expenses for Certain Foreign Liaison Officers

This section would remove a provision of existing law that limits the Secretary of Defense's ability to provide administrative support services to those foreign liaison officers from a nation involved in a coalition with the United States. The provision would also authorize the Secretary to pay the travel, subsistence, and similar personal expenses of a liaison officer from a developing nation in coalition with the United States. "Similar personal expenses" constitutes an expansion to the allowable expenses the Secretary may pay, but adds the requirement that the foreign liaison officer be from a coalition nation, effectively narrowing the class of eligible recipients.

Section 1202—Recognition of Superior Noncombat Achievements or Performance by Members of Friendly Foreign Forces and Other Foreign Nationals

This section would authorize the Department of Defense to expend operations and maintenance funds to recognize superior noncombat achievements or performance by members of foreign forces and other foreign nationals that significantly enhance or support the National Security Strategy of the United States.

The committee understands that during Operation Enduring Freedom, U.S. military personnel were required to contact and gain the support of various foreign military and civilian personnel in the conduct of their missions. In many circumstances, the local customs of the various countries required U.S. military personnel to bestow gifts as recognition for the services or support that these foreign nationals provided. Failure to adhere to such customs could undermine mission accomplishment. Therefore, the committee believes that this authority will materially contribute to the ability of the armed forces to accomplish assigned missions.

Section 1203—Expansion of Authority to Waive Charges for Costs of Attendance at George C. Marshall Center for Security Studies

The Secretary of Defense currently has the authority to waive reimbursement of costs for military officers and civilian officials from North Atlantic Cooperation Council (a component of NATO) and Partnership for Peace (PfP) countries participating in Marshall Center programs. The Secretary of Defense cannot currently waive reimbursement for poorer countries in the Balkans, however. The Department of Defense believes that increased participation by Balkan states in Marshall Center programs will serve U.S. security goals in the region. This provision would permit the Secretary to waive reimbursement costs for participants from states in Europe and the former Soviet Union, effectively making Balkan-state participants eligible to have their costs waived.

Section 1204—Goods and Technologies Critical for Military Superiority

This section would direct the Secretary of Defense to establish a Goods and Technologies Critical for Military Superiority (GTCMS) list—a catalog of goods, materials, weapons systems technologies and developing critical technologies, and know-how that either could enhance a potential adversary's military capabilities or are critical to the United States maintaining its military superiority and qualitative advantage. The GTCMS list should include, but not be limited to, advanced conventional weapons, weapons of mass destruction, and traditional and untraditional delivery systems, and the means to manufacture them.

The Committee notes that the Office of the Under Secretary of Defense for Policy is best suited to compile the Goods and Technologies Critical for Military Superiority list given the breadth of this matter. The list should be comparable to the Commerce Control List and its different Categories, Groups, and Export Control Classification Numbers, and should use an updated version of the Militarily Critical Technologies List as a starting point. The list should be updated on a bimonthly basis, starting in June 2004, and be made available to the public on an official Department of Defense website. Classified versions of the list should be sent to the Senate Committee on Armed Services and the House Committee on Armed Services, as necessary.

Section 1205—Report on Iraqi Acquisition of Advanced Weapons

This section would require the Secretary of Defense to conduct a study of how Iraq acquired weapons of mass destruction and associated delivery systems, to include unmanned aerial vehicles and cruise missiles, and advanced conventional arms in violation of multilateral and unilateral sanctions, arms control agreements, international weapons inspections and export control measures. From 1979, when International Atomic Energy Agency inspections in Iraq began, until the fall of the government of Saddam Hussein, Iraq obtained the materials, technology, and know-how for weapons of mass destruction and advanced conventional armaments both legally and illegally from entities outside of Iraq, including Iraqi citizens operating on foreign soil. The report should explain why nonproliferation processes failed to stop the spread of dangerous and

destabilizing weapons to Iraq, how Iraq circumvented multilateral technology control and inspections regimes after the first Gulf War, and how Iraq exploited limitations in export control processes around the world. The report should also address the illegal transfer of militarily useful goods to Iraq during Operation Iraqi Freedom.

Section 1206—Authority for Check-Cashing and Currency Exchange Services To Be Provided to Foreign Military Members Participating in Certain Activities with United States Forces

This section would provide authority to foreign military personnel to obtain United States currency in exchanges for their negotiable instruments while on joint training or operations if the foreign nation has guaranteed payment and if the senior United States commander approves.

Section 1207—Requirements for Transfer to Foreign Countries of Certain Specified Types of Excess Aircraft

This section would amend section 2581 of title 10, United States Code, to expand transfer requirements for excess UH–1 Huey and AH–1 Cobra helicopters to include T–2 Buckeye aircraft and the T–37 Tweet aircraft.

Section 1208—Limitation on Number of United States Military Personnel in Colombia

This section would restrict funds available to the Department of Defense to support or maintain more than 500 U.S. military personnel in Colombia at any time. The provision would provide an exemption from the limitation for any members of the armed forces in Colombia for a period not to exceed 30 days to rescue or retrieve U.S. military or civilian Government personnel. The provision would also exempt military personnel assigned to the U.S. Embassy in Colombia as attachés, as part of the security assistance office, or the Marine Corps security contingent, as well as those participating in natural disaster relief efforts, those involved in nonoperational transit through Colombia, or making a port call. The provision would also provide the Secretary of Defense the authority to waive the military personnel limitation should the Secretary determine that such a waiver is in the national security interests of the United States and notify the congressional defense committees within 15 days.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

OVERVIEW

The budget request included $450.8 million for cooperative threat reduction (CTR) activities in fiscal year 2004, an increase of almost 9 percent over fiscal year 2003. The amount included $57.6 million for the elimination of strategic nuclear delivery systems in Russia; $48.0 million for nuclear weapons storage security in Russia; $23.2 million for strategic nuclear weapons transportation security; $3.9 million for strategic nuclear delivery systems elimination in

Ukraine; $54.2 million for biological weapons proliferation prevention throughout the former Soviet Union; $200.3 million for chemical weapons destruction in Russia; $39.4 million for weapons of mass destruction proliferation prevention programs outside of Russia, but within the former Soviet Union; $11.1 million for defense and military contacts; and $13.1 million for administrative costs.

The Committee recommends the budget request with two exceptions. First, it would increase funding for the elimination of strategic nuclear delivery systems in Russia by $28.8 million to $86.4 million. Second, it would decrease funding for chemical weapons destruction in Russia by $28.8 million, to $171.5 million.

The committee continues to support the original and overriding goal of the CTR program: to reduce the threat to the United States posed by the former Soviet Union's strategic weapons of mass destruction and their associated delivery systems. It notes significant progress in reaching that goal. However, it remains concerned that progress on eliminating strategic nuclear delivery vehicles has slowed. The fiscal year 2004 request for strategic nuclear weapons elimination in Russia represents a decrease of almost 18 percent from fiscal year 2003 and nearly 57 percent from fiscal year 2002. Similarly, the request for $3.9 million for strategic arms elimination in Ukraine represent a 39 percent reduction from fiscal year 2003 and a 92 percent reduction from fiscal year 2002. The committee recommends reversing these trends as they relate to Russia, which continues to possess inordinate numbers of Soviet-era strategic nuclear delivery systems. Therefore, it recommends increased funding for these efforts in order to keep them the top priority for the Cooperative Threat Reduction program.

While the committee has long supported the Cooperative Threat Reduction program, it has noted several problems that threaten the program's continued utility under the Department of Defense. These include a broadening of its mission from definable goals, such as the dismantlement of delivery systems, to more amorphous and undefined goals, such as eliminating environmental dangers; the Department's continued willingness to absorb costs that are more appropriate for taxpayers in the former Soviet Union; the continuing difficulty in determining whether programs are making measurable progress towards achieving definable goals; the lack of necessary transparency and access agreements; the challenge in ensuring that CTR funding does not inadvertently free up resources for strategic modernization by states of the former Soviet Union; frequent lapses in management that lead to wasteful spending; and, the tendency to pursue nonproliferation activities that are not critical to the Department's primary war-fighting missions or expertise and more appropriately belong with other government departments and agencies. Events over the last year have only heightened these concerns.

The facts surrounding the Liquid Propellant Disposition Project in Krasnoyarsk, Russia clearly demonstrate this waste and lack of cooperation. Russia asked for assistance, and the United States spent over $137.2 million to dispose of rocket fuel from old ballistic missiles. As a part of this effort, the United States built Russia a $106.0 million plant to convert the fuel into commercially-useful materials. However, according to the Department of Defense Inspector General, without telling the United States, the Russian

government turned most of the fuel over to its space program for commercial launches before the project was completed. The Russian government even helped reprocess the fuel inside of former fuel-production plants in order to make it safer for use in space launches. As a result, there is no fuel for the U.S.-funded plant to eliminate. Because the facility cannot be used for anything else, its value now is reduced to its scrap—valued roughly at $1.2 million.

Russia's duplicity, or—at best—negligence, in this episode signals a clear difference in views about the utility of some elements of the Cooperative Threat Reduction program between Russia and the United States and suggests that the two countries may have different goals for parts of the program. In fact, in January 2003, the President exercised authority established by the National Defense Authorization Act for Fiscal Year 2003 to waive certification requirements contained in the Cooperative Threat Reduction Act of 1993 and the FREEDOM Support Act for one year. The certification requirements make the President determine that a state of the former Soviet Union is committed to fulfilling six reasonable responsibilities before the U.S. Government may expend CTR funds in that country. In 2003, the President determined that Russia is not committed to two of the six requirements:

(1) Foregoing any military modernization program that exceeds legitimate defense requirements and foregoing the replacement of destroyed weapons of mass destruction; and,

(2) Complying with all relevant arms control agreements," including the Chemical Weapons Convention and the Biological and Toxin Weapons Convention, to which Moscow is a party.

In the same Presidential Determination, the Administration found that "Russia continues a biological weapons program," and that Russia has "failed to fully declare its chemical weapon stockpiles and chemical weapon-related facilities." These facts show that Russia does not share U.S. nonproliferation intentions and goals for the CTR program.

The key element to the success of the Cooperative Threat Reduction programs is cooperation. As indicated by progress in dismantling strategic nuclear delivery systems that threatened the United States and that the successor states of the Soviet Union no longer wanted, success is possible when all participants share a common set of assumptions, interests, and clearly defined goals. When participants do not share the same assumptions, interests, or goals, as may be the case in CTR biological and chemical weapons destruction programs, success is impossible and resources committed to such efforts are wasted.

To avoid that outcome, the Committee recommends limitations and conditions on a few CTR programs as a means of assessing a CTR recipient's commitment to the goals of the program and its willingness to act in a truly cooperative fashion. First, it would prioritize those activities where the United States and Russia have historically demonstrated success due to shared goals, such as the elimination of strategic nuclear delivery vehicles. Second, it would limit those programs to which Russia's commitment is less than complete. In general, the Committee adopted principles of accountability, transparency, accessibility, and cooperation when drafting these provisions.

LEGISLATIVE PROVISIONS

Section 1301—Specification of Cooperative Threat Reduction Programs and Funds

This section would specify the kinds of programs to be funded under this title and would make fiscal year 2004 Cooperative Threat Reduction program funds available for three years.

Section 1302—Funding Allocations

This section would allocate fiscal year 2004 funding for various Cooperative Threat Reduction purposes and activities.

Section 1303—Limitation on Use of Funds until Certain Permits Obtained

The committee notes that multi-million dollar demilitarization projects in the Russia Federation have been stalled or cancelled due to a failure to obtain in advance all necessary land-use permits. For example, the United States spent $94.6 million toward the construction of a solid rocket motor disposition facility near the city of Votkinsk, Russia before the Department learned that it could not obtain the necessary land-use permits to operate the facility. While the Administration believes Russia was forthcoming about problems at Votkinsk, the decision to proceed with construction in the absence of all necessary permits resulted in yet additional waste in the Cooperative Threat Reduction program. This section would require the Secretary of Defense to determine what permits will be needed and that the Russian government obtain and transmit copies of those permits to the Secretary of Defense before he obligates more than 35 percent of a project's total cost. This would enable the Department of Defense to spend those funds needed to enable it to obtain a permit, while limiting the potential for waste in the event that the permits are not forthcoming.

Section 1304—Limitation on Use of Funds for Biological Research in the Former Soviet Union

This section would limit spending by the Department of Defense's cooperative biodefense research or bioattack early warning and preparedness to those sites to which the Department has sufficient access to (1) determine that no prohibited weapons research is being conducted; (2) determine the vulnerability of a site to illicit external or internal attempts to obtain dangerous pathogens; and, (3) implement security measures needed to prevent the diversion of dangerous pathogens from legitimate research. All told, these limitations apply to $32.2 million. Funds requested for the purposes of dismantling sites or improving safety and security at a site would be unaffected.

In March 2003, the General Accounting Office released a report entitled, "Weapons of Mass Destruction: Additional Russian Cooperation Needed to Facilitate U.S. Efforts to Improve Security at Russian Sites." The General Accounting Office determined that the United States lacked sufficient access to Russia's biological research facilities to secure those sites at which the United States and Russia had collaborative programs. It further noted that Russia routinely denied the United States access to those sites receiving funding from U.S. taxpayers, and that negotiations to secure

such access had stalled. As a result, the Department of Defense cannot be sure that its funding of Russian biological research facilities will not undermine U.S. security by creating circumstances in which U.S. resources support inappropriate activities or sustain activities vulnerable to inappropriate applications. The corrective measures contained in this section would help prevent those circumstances from arising and create incentives for Russia to grant U.S. access to those biological research facilities pursuing U.S. funding.

Section 1305—Authority and Funds for Nonproliferation and Disarmament

The Department of Defense (DOD) requested authority to obligate and expend up to $50.0 million of Cooperative Threat Reduction program funds, including prior fiscal year funds, outside the states of the former Soviet Union if the President determines such funds would help the United States resolve critical emerging proliferation threats or would otherwise allow the United States to take advantage of opportunities to achieve long-standing nonproliferation goals. While the committee supports nonproliferation efforts, there is concern that an expansion of DOD's Cooperative Threat Reduction program beyond the borders of the former Soviet Union will distract the Department from its primary, warfighting mission. Moreover, the committee notes that nonproliferation efforts have historically been a function of the Department of State, and that Congress expanded the authority of the State Department's Nonproliferation and Disarmament Fund beyond the territory of the former Soviet Union. Therefore, rather than expanding a DOD program that would duplicate State Department efforts, this section would authorize the Secretary of Defense to transfer $50.0 million of prior fiscal year Cooperative Threat Reduction funds to the Department of State Nonproliferation and Disarmament Fund for disarmament and nonproliferation purposes outside of the former Soviet Union. The committee recommends that future growth in government-wide nonproliferation efforts occur among programs that the Department of State is already authorized to undertake.

Section 1306—Requirement for On-Site Managers

This section would require the Secretary of Defense to appoint an on-site manager to oversee Cooperation Threat Reduction projects involving a dismantlement, destruction, or storage facility or construction of a facility in the former Soviet Union whose total U.S. costs will exceed $25 million over the life of the project. The committee believes that the presence of a full-time U.S. manager on-site will prevent repeats of wasteful programs such as the Krasnoyarsk heptyl plant and Votkinsk solid rocket motor dismantlement facility, while giving the United States greater insight into a recipient partner's degree of cooperation and commitment to a CTR project. The section would apply to both existing and future facilities, but would not take effect until six months after enactment in order to give the Department of Defense sufficient time to identify the needed on-site managers.

To empower the on-site manager, increase transparency into Russia's contributions to cooperative threat reduction, and enhance

accountability in program execution, this section further lays out responsibilities for the on-site manager, who would be directed to work with partner governments to identify the steps and activities needed to successfully accomplish a nonproliferation goal, establish a schedule for completing those steps, and conduct meetings of assurance with participants in order to ensure that the necessary steps are completed on schedule. The on-site manager would further be directed to suspend U.S. participation in a project when a non-U.S. participant fails to meet its obligations, but the Secretary of Defense would retain the ability to direct a project to continue in the face of such failure.

Section 1307—Provisions Relating to Funding for Chemical Weapons Destruction Facility in Russia

This section would extend for a period of one year the President's authority to waive existing certification requirements before obligating funds for the construction of the Shchuch'ye Chemical Weapons Deconstruction Facility in Russia. However, the need for such authority continues to raise concerns about Russia's commitment to fully disclosing and dismantling its chemical weapons stockpile and infrastructure. Ultimately, Cooperative Threat Reduction (CTR) programs undertaken in the absence of such a commitment will fail to improve the security of the American people. Therefore, the committee urges the Department of Defense to assess Russia's commitment to these goals, and, should it determine that Russia's commitment remains lacking, to restructure the program accordingly.

The committee further notes that the Russian Federation agreed to provide $25.0 million annually for the construction and operation of the chemical weapons deconstruction facility at Shchuch'ye, Russia, but that it has frequently failed to meet this goal. The United States and the Russian Federation initially planned to share the costs of the Shchuch'ye project, with the United States spending approximately $750.0 million to build and begin operations at the facility, with the Russian Federation spending approximately $240.0 million. The fiscal year 2004 budget requests $190.3 million for the Shchuch'ye project, with the Russian Federation expected to pay $25.0 million, a ratio of roughly 7.6 to 1. The committee believes this is unacceptable, particularly since building the Shchuch'ye facility is in the interests of Russia and its European neighbors. Therefore, the committee recommends a $28.8 million reduction of Shchuch'ye funding in order to bring authorized U.S. expenditures in fiscal year 2004 into line with the project's overall three to one funding ratio.

The committee notes that several countries recently committed to provide $10 billion in additional disarmament and nonproliferation resources. The committee applauds the President for securing these promises from other states with an interest in disarmament and nonproliferation, but is concerned by early signs that these countries may not meet their commitments. Accordingly, to create incentives for other states to contribute to nonproliferation and disarmament, the committee proposes a new funding mechanism for Shchuch'ye. This section would allow the Secretary of Defense to obligate $71.5 million of the $171.5 million authorized for Shchuch'ye immediately, and establish the remaining funds as a

two-for-one matching fund. This section would match every dollar Russia or another country contributed to Shchuch'ye with two dollars. Such a mechanism would increase the likelihood that other countries will step forward to meet their nonproliferation and disarmament promises, and limit the possibility that the American taxpayer will be left with paying the entire costs of a program designed to benefit the entire world.

TITLE XIV—SERVICES ACQUISITION REFORM

LEGISLATIVE PROVISIONS

Section 1401—Short Title

This section would provide that this title may be cited as the "Services Acquisition Reform Act of 2003."

Section 1402—Executive Agency Defined

This section would use the term "executive agency" as is defined in section 4 of the Office of Federal Procurement of Policy Act (41 U.S.C. § 403).

SUBTITLE A—ACQUISITION WORKFORCE AND TRAINING

Section 1411—Definition of Acquisition

This section would amend section 4 of the Office of Federal Procurement Policy Act (41 1U.S.C. § 403) by defining the term "acquisition." The new definition would encompass the entire spectrum of acquisition starting with the development of an agency's requirements through management and measurement of contract performance.

Section 1412—Acquisition Workforce Training Fund

This section would amend section 37 of the Office of Federal Procurement Policy Act (41 U.S.C. § 433) to establish within the General Services Administration an acquisition workforce-training fund to be managed by the Federal Acquisition Institute (FAI). The fund is to be financed by depositing 5 percent of the fees collected by various executive agencies under their government-wide contracts. This will provide the funding needed by FAI to develop training resources needed to support new acquisition initiatives. The fund can only be used for sorely needed acquisition workforce training across the civilian government agencies. This provision does not apply to the Department of Defense.

Section 1413—Acquisition Workforce Recruitment Program

This section would authorize the head of an agency to determine, for purposes of sections 3304, 5333, and 5753 of title 5, United States Code, that certain federal acquisition positions are in a "shortage category" in order to recruit and directly hire persons with high qualifications. Personnel actions under this section would be subject to Office of Personnel Management policies. In addition, the Administrator for Federal Procurement Policy would be required to submit to Congress a report by September 2007 con-

cerning the efficacy of the program and recommending whether the authority should be extended.

Section 1414—Architectural and Engineering Acquisition Workforce

This section would require the Administrator for Federal Procurement Policy, in consultation with the Secretary of Defense, the Administrator of General Services, and the Director of the Office of Personnel Management, to develop and implement a plan to assure that the federal government maintains the necessary capability to contract effectively for the performance of architectural and engineering services. This section, however, is not intended to authorize the hiring of additional government employees.

SUBTITLE B—ADAPTATION OF BUSINESS ACQUISITION PRACTICES

PART I—ADAPTATION OF BUSINESS MANAGEMENT PRACTICES

Section 1421—Chief Acquisition Officers

This section would amend section 16 of the Office of Federal Procurement Policy Act (41 U.S.C. § 414) to provide for the appointment of a non-career employee as the chief acquisition officer for each executive agency other than the Department of Defense. The Department of Defense currently has a comparable position established in title 10, United States Code. The chief acquisition officer would have acquisition as the official's primary duty and advise and assist the agency head and other senior officials to ensure that the agency mission is achieved through the management of the agency's acquisition activities. The functions of the chief acquisition officer would include monitoring the agency's acquisition activities, evaluating them based on applicable performance measurements, increasing the use of full and open competition in agency acquisitions, making acquisition decisions consistent with applicable laws, and establishing clear lines of authority, accountability, and responsibility for acquisition decision making and developing and maintaining an acquisition career management program. The chief acquisition officer, as a part of the statutorily required annual strategic planning and performance evaluation process, would assess agency requirements for agency personnel knowledge and skills in acquisition resources management and, if necessary, develop strategies and plans for hiring, training and professional development.

Section 1422—Chief Acquisition Officers Council

This section would establish a chief acquisition officers council to monitor and improve the federal acquisition system. Deputy Director for Management (DDM) of the Office of Management and Budget (OMB) shall chair the council, and membership shall include the Administrator for Federal Procurement Policy (Administrator), the Chief Acquisition Officers created under section 16 of the Office of Federal Procurement Policy Act (41 U.S.C. 414), the Under Secretary of Defense of Acquisition, Technology, and Logistics, and any chair designated federal officer or employee. The Administrator shall lead the activities of the council on behalf of the DDM. The General Services Administration shall provide administrative and

other support to the council. The council will, among other things, develop recommendations for OMB on acquisition policies and requirements, assist the Administrator in the identification, development, and coordination of multi-agency and other innovative acquisition initiatives, promote effective business practices to ensure timely delivery of best value products and services to the federal government, and work with the Office of Personnel Management to assess and address hiring, training, and professional development needs related to acquisition.

Section 1423—Statutory and Regulatory Review

This section would require the Administrator for Federal Procurement Policy to establish an advisory panel to review acquisition laws and regulations with a view toward ensuring greater use of commercial practices and performance-based contracting, as well as enhancing the performance of acquisition functions across agency lines, and the use of federal government- wide contracts. The advisory panel shall consist of at least nine experts in acquisition law and policy who represent diverse public and private sector experiences.

PART II—OTHER ACQUISITION IMPROVEMENTS

Section 1426—Extension of Authority to Carry Out Franchise Fund Programs

This section would amend section 403(f) of the Federal Financial Management Act of 1994 (P.L. 103–356) to reauthorize the federal government's franchise funds until October 1, 2006.

Section 1427—Agency Acquisition Protests

This section would amend Chapter 137 of title 10, United States Code, and the Federal Property and Administrative Services Act of 1949 (Public Law 81–152) to provide statutory authority for an agency-level acquisition protest process. This section would provide for a stay of the award or of contract performance during the 20 working day period in which an agency is to evaluate the protest. The stay could be lifted by the head of the agency procuring activity upon a written finding that urgent and compelling circumstances do not permit waiting for the decision. This section would provide that filing an agency-level protest would not affect the right of an interested party to file a protest with the Comptroller General or in the United States Court of Federal Claims. This section would also amend section 3553(d)(4) of title 31, United States Code, to provide that an interested party filing a protest on the same matter with the Comptroller General within five days of the issuance of the agency protest decision would qualify for a stay of performance in connection with such protest.

Section 1428—Improvements in Contracting for Architectural and Engineering Services

This section would amend section 2855(b) of title 10, United States Code, to raise from $85,000 to $300,000 the threshold for a participation incentive for small business concerns in acquisitions for architectural and engineering services. This section would also

require that architectural and engineering services offered under multiple-award schedule contracts awarded by the General Services Administration or under federal government-wide task and delivery order contracts be performed under the supervision of a licensed professional engineer and be awarded pursuant to the quality-based selection procedures in chapter 11 of title 40, United States Code.

Section 1429—Authorization of Telecommuting for Federal Contractors

This section would require an amendment to the federal acquisition regulations to provide that solicitations for federal contracts should not contain any requirement or evaluation criteria that would render an offeror ineligible or would reduce the scoring of the offeror's proposal based upon the offeror's inclusion of a plan to allow its employees to telecommute, unless the contracting officer determines in writing that the needs of the agency could not be met without the requirement. This section would require the General Accounting Office to report to Congress on the implementation one year after the amendment is published.

SUBTITLE C—CONTRACT INCENTIVES

Section 1431—Incentives for Contract Efficiency

This section would amend the Office of Federal Procurement Policy Act (Public Law 93–400) by adding a new section authorizing agencies to include in service contracts options to extend the contract by one or more performance periods based on exceptional performance as measured by standards set forth in the contract. The contract should be, to the maximum extent practicable, performance-based.

SUBTITLE D—ACQUISITION OF COMMERCIAL ITEMS

Section 1441—Preference for Performance-Based Contracting

This section would amend the Office of Federal Procurement Policy Act (Public Law 93–400) by authorizing a performance-based contractor for the procurement of services or a performance-based task order for services to be treated as a contractor for the procurement of a commercial item if each task is defined in measurable, mission related terms with specific products or outputs, and the contractor provides similar services to the general public. This section would also require the Administrator for Federal Procurement Policy to establish a center of excellence for service contracting to assist the acquisition community in identifying best practices in service contracting.

Section 1442—Authorization of Additional Commercial Contract Types

This section would amend section 8002(d) of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355) to provide that the federal acquisition regulations include authority for time and material contracts or labor hour contracts to be used for the acqui-

sition of a commercial service commonly sold to the general public through such contracts.

Section 1443—Clarification of Commercial Services Definition

This section would amend section 4 of the Office of Federal Procurement Policy Act [41 U.S.C. § 403(12)] by modifying the criteria that must be applied to purchase a commercial service pursuant to the procedure available for the purchase of a commercial item. Under this section a service would be considered a commercial service if the service is of a type customarily used by the general public and sold in substantial quantities. This change in definition is intended to affect the procurement process by which federal agencies purchase services. This section is not intended to amend government regulations or policy that dictate whether public sector functions are commercial in nature.

Section 1444—Designation of Commercial Business Entities

This section would amend section 4 of the Office of Federal Procurement Policy Act (Public Law 93–400) to authorize federal agencies to treat the purchase of items produced or services provided by a commercial entity as a procurement of a commercial item or commercial service. A commercial entity would be defined as any enterprise whose primary customers are other than the federal government, that is, at least 90 percent of its sales over the past three business years must have been to the private sector. This section would also require the General Accounting Office to evaluate the effectiveness of this authority in increasing the availability of commercial items and services to the federal government at fair and reasonable prices.

SUBTITLE E—OTHER MATTERS

Section 1451—Authority To Enter into Certain Procurement-Related Transactions and To Carry Out Certain Prototype Projects

This section would amend title III of the Federal Property and Administrative Services Act of 1949 (Property Act) (Public Law 81–152) to allow the head of a civilian executive agency, if authorized by the Director of the Office of Management and Budget (OMB), to enter into transactions (other than contracts, cooperative agreements, and grants) to carry out basic, applied, and advanced research and development projects that are otherwise authorized and necessary to the responsibilities of the agency that may facilitate defense against, or recovery from, terrorism or nuclear, biological, chemical, or radiological, attack. This authority would be similar to that exercised by the Secretary of Defense under section 2317 of title 10, United States Code, with certain exceptions.

This section would further amend the Property Act to provide that the head of an executive agency, designated by the Director of OMB to enter into transactions (other than contracts, cooperative agreements, and grants) may, with the approval of the Director of OMB, carry out prototype projects in accordance with the same requirements and conditions for prototype projects as are provided under section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160).

Section 1452—Authority To Make Inflation Adjustments To Simplified Acquisition Threshold

This section would provide that the Administrator for Federal Procurement Policy may adjust the simplified acquisition threshold as defined in section 4(11) of the Office of Federal Procurement Policy Act (Public Law 93–400) every five years to an amount equal to $100 thousand in constant fiscal year 2003 dollars.

Section 1453—Technical Correction Related to Duplicative Amendments

This section would repeal superceded provisions and provide conforming amendments.

Section 1454—Prohibition on Use of Quotas

This section would prohibit the Office of Management and Budget from establishing, applying, or enforcing quotes on federal agencies with respect to the number of employees that should be part of a public private competition.

Section 1455—Applicability of Certain Provisions to Sole Source Contracts for Goods and Services Treated as Commercial Items

This section would require that cost accounting standards and cost or pricing data requirements would apply to contracts for commercial items or commercial services, in those instances when an award is made on a sole source basis and the value of the contract $15.0 million or more.

Section 1456—Public Disclosure of Noncompetitive Contracting for the Reconstruction of Infrastructure in Iraq

This section would require that for contracts for the repair, maintenance, or construction of infrastructure awarded without full and open competition the head of the appropriate executive agency shall publish either in the Federal Register or the Commerce Business Daily and otherwise make public specific information within 30 days of the award of the contract. Published information includes the value and scope of the contract, a discussion on how solicited offers were evaluated, and a copy of the justification and approval determination to use procedure other than full and open competition.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

PURPOSE

The purpose of Division B is to provide military construction authorizations and related authority in support of the military departments during fiscal year 2004. As approved by the committee, Division B would authorize appropriations in the amount of $9,789,530,000 for construction in support of the active forces, reserve components, defense agencies, and the North Atlantic Treaty Organization security infrastructure fund for fiscal year 2004.

MILITARY CONSTRUCTION OVERVIEW

The Department of Defense requested $5,221,076,000 for military construction and $4,030,811,000 for family housing for fiscal year 2004. The committee recommends authorization of appropriations of $5,758,719,000 for military construction and $4,030,811,000 for family housing in fiscal year 2004. Including the impact of anticipated rescissions requested by the Department, the committee's recommendations are consistent with a total budget authority level of $9,528,324,000 for military construction and family housing in fiscal year 2004.

The military construction total contains $119,815,000 for chemical agents and munitions destruction construction projects. Although this amount matches the Department's request for chemical agents and munitions destruction construction projects, the Department had requested authorization for these funds elsewhere in the bill. The committee believes that all of the Department's construction activities should be authorized in the military construction portion of the annual defense authorization bill. As such, the committee recommends the transfer of the authorization for chemical agents and munitions destruction construction to Division B—Military Construction Authorizations.

Even after several years of congressional increases to the Department's military construction and family housing budgets, the poor state of U.S. military installations and facilities remains an issue of significant concern. Visits to military installations around the United States and overseas confirm that America's service members continue to live and work in aging and substandard facilities. Of further concern are indications that efforts to increase budgets for sustainment, modernization, and restoration have had little impact on the ability of the military services to maintain the condition of their facilities. According to the Department, more than two-thirds of the services' facilities are classified at "C–3" or "C–4" readiness levels, indicating that their ability to conduct their missions has been significantly degraded.

For the second consecutive year, the budget request contained only sufficient funding to support new mission beddowns and a few quality of life projects. This underfunded approach to military construction and family housing reflects the Department's intent to slow military construction investment until the 2005 base realignment and closure process. This approach severely impacts America's military personnel who must live and work in the housing and facilities available today.

The Department also submitted a remarkable request pertaining to overseas construction projects. Based upon this request, and limited briefings from the Department, the United States military is in the midst of the most significant restructuring of overseas basing strategy since the end of World War II. However, the Department has conducted its work largely behind closed doors, and has not provided Congress with the details of its work.

By submitting a budget to Congress that effectively implements the initial stages of a major overseas realignment, the Department is asking Congress to endorse an undefined plan that will have a dramatic impact on the Department's spending, policies, and operations for the coming decades. Although the committee rec-

ommends the Department's request for overseas construction programs, it does so not as an endorsement of the Department's overseas plans, but as a placeholder marked for further review once the committee receives sufficient information to adequately assess and understand the details of the Department's plans.

A tabular summary of the authorizations provided in Division B for fiscal year 2004 follows:

TITLES XXI THROUGH XXVIII - MILITARY CONSTRUCTION AND FAMILY HOUSING

(Dollars in Thousands)

	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Military Construction					
Military Construction, Army	1,678,210	(73,730)	104,970	(178,700)	1,604,480
Military Construction, Navy	1,147,537	104,409	117,299	(12,890)	1,251,946
Military Construction, Air Force	830,671	155,405	155,405	0	986,076
Military Construction, Defense-Wide	655,381	147,168	147,168	0	802,549
NATO Security Investment Program	169,300	0	0	0	169,300
BRAC IV	370,427	0	0	0	370,427
Military Construction, Army National Guard	168,298	85,490	92,503	(7,013)	253,788
Military Construction, Air National Guard	60,430	62,978	62,978	0	123,408
Military Construction, Army Reserve	68,478	21,362	21,362	0	89,840
Military Construction, Naval and Marine Corp Reserve	28,032	17,730	17,730	0	45,762
Military Construction, Air Force Reserve	44,312	16,831	16,831	0	61,143
Total Military Construction	**5,221,076**	**537,643**	**736,246**	**(198,603)**	**5,758,719**
Family Housing					
Family Housing Construction, Army	409,191	0	0	0	409,191
Family Housing Support, Army	1,043,026	0	0	0	1,043,026
Family Housing Construction, Navy	184,193	0	0	0	184,193
Family Housing Support, Navy	852,778	0	0	0	852,778
Family Housing Construction, Air Force	657,065	0	0	0	657,065
Family Housing Support, Air Force	834,468	0	0	0	834,468
Family Housing Construction, Defense-Wide	350	0	0	0	350
Family Housing Support, Defense-Wide	49,440	0	0	0	49,440
Family Housing Improvement Fund	300	0	0	0	300
Total Family Housing	**4,030,811**	**0**	**0**	**0**	**4,030,811**
Total Military Construction and Family Housing	**9,251,887**	**537,643**	**736,246**	**(198,603)**	**9,789,530**

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
1	Alabama	Army	MilCon, Army	Redstone Arsenal	Vibration Dynamic Test Facility	5,500		5,500
2	Alabama	Air Force	MilCon, Air Force	Maxwell AFB	Integrated Operations Support Facility		12,600	12,600
3	Alabama	Air Force	MilCon, Air Force	Maxwell AFB	SOC Dormitory, Phase 3	13,400		13,400
4	Alabama	Army National Guard	MilCon, Army NG	ARNGRC Fort Payne	Readiness Center, Add/Alter (ADRS)	3,648	(3,648)	-
5	Alabama	Army National Guard	MilCon, Army NG	ARNGRC Mobile	Armed Forces Reserve Center (ADRS), Phase 2	2,943		2,943
6	Alabama	Army National Guard	MilCon, Army NG	ARNGRC Springville	Readiness Center, Add/Alter (ADRS)	3,365	(3,365)	-
7	Alabama	Army National Guard	MilCon, Army NG	ARNGRC Vincent	Readiness Center, Add/Alter (ADRS)	3,353		3,353
8	Alabama	Army National Guard	MilCon, Army NG	Ft McClellan	Fire Station (ADRS)	1,873		1,873
9	Alabama	Army National Guard	Milcon, Army NG	Haleyville	Joint Armed Forces Reserve Center Phase 1		13,849	13,849
10	Alaska	Army	MilCon, Army	Ft Richardson	Barracks Complex - D Street, Phase 3	33,000		33,000
11	Alaska	Army	MilCon, Army	Ft Wainwright	Pallet Processing Facility	16,500		16,500
12	Alaska	Army	MilCon, Army	Ft Wainwright	Military Operations on Urban Terrain	11,200		11,200
13	Alaska	Army	MilCon, Army	Ft Wainwright	Multi-Purpose Training Range Complex	47,000		47,000
14	Alaska	Army	MilCon, Army	Ft Wainwright	Ammunition Supply Point Upgrade	10,600		10,600
15	Alaska	Army	MilCon, Army	Ft Wainwright	Barracks - Luzon Avenue	21,500		21,500
16	Alaska	Army	MilCon, Army	Ft Wainwright	Alert Holding Area Facility	32,000		32,000
17	Alaska	Air Force	MilCon, Air Force	Eielson AFB	Repair/Expand Enroute Ramp	19,060		19,060
18	Alaska	Air Force	MilCon, Air Force	Eielson AFB	Dormitory--96 RM	13,914		13,914
19	Alaska	Air Force	MilCon, Air Force	Elmendorf AFB	Maintenance Facility	2,000		2,000
20	Alaska	Defense Logistics Agency	MilCon, Def-Wide	Eielson AFB	Replace Hydrant Fuel System	17,000		17,000
21	Alaska	Tri-Care Management Activity	MilCon, Def-Wide	Ft Wainwright	Hospital Replacement, Phase 5			-
22	Arizona	Navy	MilCon, Navy	MCAS Yuma	Station Ordnance Area	7,980		7,980
23	Arizona	Navy	MilCon, Navy	MCAS Yuma	Aircraft Maintenance Hangar	14,250		14,250
24	Arizona	Air Force	MilCon, Air Force	Davis-Monthan AFB	CSAR Msn Ready Support Parts	1,906		1,906
25	Arizona	Air Force	MilCon, Air Force	Davis-Monthan AFB	CSAR C-130 Apron/Shoulder	1,954		1,954
26	Arizona	Air Force	MilCon, Air Force	Davis-Monthan AFB	CSAR HH-60 Sq Ops/AMU	6,004		6,004
27	Arizona	Air National Guard	MilCon, Air NG	Tucson IAP	Composite Support Complex		5,900	5,900
28	Arkansas	Air Force	MilCon, Air Force	Little Rock AFB	C-130J Add/Alter Hangar 280	1,144		1,144
29	Arkansas	Air Force	MilCon, Air Force	Little Rock AFB	C-130 Operations Training Facility	2,478		2,478
30	Arkansas	Air Force	MilCon, Air Force	Little Rock AFB	Child Development Center		3,750	3,750
31	California	Army	MilCon, Army	Ft Irwin	MOUT Phase 1		3,350	3,350
32	California	Navy	MilCon, Navy	MAGTFTC Twentynine Palms	Bachelor Enlisted Quarters	26,100		26,100
33	California	Navy	Milcon, Navy	MAGTFTC Twentynine Palms	Enlisted Dining Facility		13,700	13,700
34	California	Navy	MilCon, Navy	MAGTFTC Twentynine Palms	Explosive Ordnance Operations	2,290		2,290
35	California	Navy	MilCon, Navy	MCAS Miramar	Aircraft Fire/Rescue Station	4,740		4,740
36	California	Navy	MilCon, Navy	MCAS Miramar	Ground Combat Training Range		2,900	2,900
37	California	Navy	MilCon, Navy	MCB Camp Pendleton	BEQ	22,930		22,930
38	California	Navy	MilCon, Navy	MCB Camp Pendleton	Tertiary Sewage Treatment, Increment 1	24,960		24,960
39	California	Navy	MilCon, Navy	NAF San Clemente Island	Operational Access - Shoba	18,940		18,940
40	California	Navy	MilCon, Navy	NAS Lemoore	Operational Trainer	9,900		9,900

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
41	California	Navy	MilCon, Navy	NAS Lemoore	Maintenance Hangar-O/H Space	24,610		24,610
42	California	Navy	MilCon, Navy	NAS North Island	Taxiway/Tower	13,650		13,650
43	California	Navy	MilCon, Navy	NAS North Island	Squadron Operations Facility	35,590		35,590
44	California	Navy	MilCon, Navy	NAVPGSCOL Monterey	Bachelor Officer Quarters Replacement	35,550		35,550
45	California	Navy	MilCon, Navy	NAVPGSCOL Monterey	Education Facility Replacement Phase 2		7,010	7,010
46	California	Navy	MilCon, Navy	NAWC China Lake	Airfield Pavement Upgrade	12,890	(12,890)	-
47	California	Navy	MilCon, Navy	NAWC China Lake	Propellants and Explosives Lab Ph 3		12,230	12,230
48	California	Navy	MilCon, Navy	Island)	Transient Quarters (SNI)	6,150		6,150
49	California	Navy	MilCon, Navy	NS San Diego	BEQ Homeport Ashore	42,710		42,710
50	California	Air Force	MilCon, Air Force	Beale AFB	Global Hawk Dorm--96 RM	13,342		13,342
51	California	Air Force	MilCon, Air Force	Beale AFB	Global Hawk Upgrade Docks	8,958		8,958
52	California	Air Force	MilCon, Air Force	Edwards AFB	Add/Renovate JSF Complex, Phase 1	19,060		19,060
53	California	Air Force	MilCon, Air Force	Edwards AFB	Replace Base Operations Facility		7,300	7,300
54	California	Air Force	MilCon, Air Force	Vandenberg AFB	Consolidated Fitness Center	16,500		16,500
55	California	Army National Guard	MilCon, Army NG	Bakersfield	Readiness Center (ADRS)	5,495		5,495
56	California	Navy Reserve	MilCon, Navy Res	NARC San Diego	C-40 Hangar	15,973		15,973
57	California	Special Operations Command	MilCon, Def-Wide	NAB Coronado	Small Arms Range		2,800	2,800
58	Colorado	Army	MilCon, Army	Fort Carson	Vehicle Marshalling Area		2,150	2,150
59	Colorado	Air Force	MilCon, Air Force	Buckley AFB	Upgrade Base Infrastructure, Phase 3	6,957		6,957
60	Colorado	Air Force Reserve	MilCon, Air Res	Peterson AFB	Consolidated Aerial Port/Airlift Control Flight Facility		7,700	7,700
61	Colorado	Air National Guard	MilCon, Air NG	Buckley ANG Base	Buckley-Civil Engineer Complex	6,900		6,900
62	Colorado	Tri-Care Management Activity	MilCon, Def-Wide	Air Force Academy	Hospital Addition/Alteration	21,500		21,500
63	Colorado	ChemDemil	MilCon, Def-Wide	Pueblo Depot Activity	Ammunition Demilitarization Facility Ph 5		88,388	88,388
64	Connecticut	Navy	MilCon, Navy	NSB New London	Tomahawk Missile Magazine		3,120	3,120
65	Connecticut	Army National Guard	MilCon, Army NG	Newtown Mil. Res.	Working Animal Building (ADRS)	2,167		2,167
66	Connecticut	Army National Guard	MilCon, Army NG	Stones Ranch Mil. Res.	Fire Station (ADRS)	2,422		2,422
67	Connecticut	Tri-Care Management Activity	MilCon, Def-Wide	NSB New London	Dental Clinic Replacement	6,400		6,400
68	District of Columbia	Navy	MilCon, Navy	Marine Corps Bks	Motor Transport Facility Addition	1,550		1,550
69	District of Columbia	Air Force	MilCon, Air Force	Bolling AFB	Air Force Central Adjudication Facility	9,300		9,300
70	District of Columbia	Tri-Care Management Activity	MilCon, Def-Wide	NS Anacostia	Medical/Dental Clinic Conversion/Renovation	15,714		15,714
71	District of Columbia	Tri-Care Management Activity	MilCon, Def-Wide	Walter Reed MC	Hospital Energy Plant Add/Alter	9,000		9,000
72	Florida	Navy	MilCon, Navy	Blount Island	Land Acquisition	115,711		115,711
73	Florida	Navy	MilCon, Navy	NAS Jacksonville	Aircraft Parking Apron Phase 1		6,000	6,000
74	Florida	Navy	MilCon, Navy	NAS Jacksonville	Airfield Perimeter Security Enhancement	3,190		3,190
75	Florida	Navy	MilCon, Navy	NAS Whiting Fld	Clear Zone Acquisition (OLF Barin)	4,830		4,830
76	Florida	Navy	MilCon, Navy	NSWC Panama City	Littoral Warfare Research Complex	9,550		9,550
77	Florida	Air Force	MilCon, Air Force	Hurlburt Fld	AFC2TIG System/Warrior School Complex	19,400		19,400
78	Florida	Air Force	MilCon, Air Force	Hurlburt Fld	Special Tactics Advanced Skills Training	7,800		7,800
79	Florida	Air Force	MilCon, Air Force	Tyndall AFB	1AF Air Operations Center Phase 1		14,400	14,400
80	Florida	Air Force	MilCon, Air Force	Tyndall AFB	F-22 Parking Apron/Runway Extension	6,195		6,195

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
81	Florida	Army National Guard	MilCon, Army NG	Camp Blanding	Combined Support Maintenance Shop		16,470	16,470
82	Florida	Defense Logistics Agency	MilCon, Def-Wide	Eglin AFB	Replace Jet Fuel Storage Complex	4,800		4,800
83	Florida	Defense Logistics Agency	MilCon, Def-Wide	Hurlburt Fld	Replace Fuel Pier	3,500		3,500
84	Florida	Special Operations Command	MilCon, Def-Wide	Hurlburt Fld	SOF Squadron Ops/AMU AC-130	6,000		6,000
85	Florida	Special Operations Command	MilCon, Def-Wide	MacDill AFB	SOF Add/Alter Building 501A	25,500		25,500
86	Georgia	Army	MilCon, Army	Ft Benning	Fire Station, Two Company		2,850	2,850
87	Georgia	Army	MilCon, Army	Ft Benning	Infantry Squad Battle Course		1,650	1,650
88	Georgia	Army	MilCon, Army	Ft Benning	Multi-Purpose Training Range Complex	30,000		30,000
89	Georgia	Army	MilCon, Army	Ft Stewart/Hunter AAF	Barracks, Ph 1	17,000		17,000
90	Georgia	Army	MilCon, Army	Ft Stewart/Hunter AAF	Command and Control Facility	25,050		25,050
91	Georgia	Army	MilCon, Army	Ft Stewart/Hunter AAF	Physical Fitness Training Center	15,500		15,500
92	Georgia	Army	MilCon, Army	Ft Stewart/Hunter AAF	Barracks Complex - Perimeter Road	49,000		49,000
93	Georgia	Navy	MilCon, Navy	SWFLANT Kings Bay	Rifle Range	8,170		8,170
94	Georgia	Navy	MilCon, Navy	SWFLANT Kings Bay	Staff Addition & HMMWV Garage	3,340		3,340
95	Georgia	Air Force	MilCon, Air Force	Robins AFB	Consolidated Aircraft Maintenance Shop		7,900	7,900
96	Georgia	Air Force	MilCon, Air Force	Robins AFB	Corrosion Control Paint Facility	25,731		25,731
97	Georgia	Air Force	MilCon, Air Force	Robins AFB	J-STARS Flight Simulator Facility	2,954		2,954
98	Georgia	Air Force Reserve	MilCon, Air Res	Dobbins ARB	North Side Overpass		4,200	4,200
99	Georgia	Special Operations Command	MilCon, Def-Wide	Ft Benning	Physical Evaluation Center	2,100		2,100
100	Georgia	Army Reserve	MilCon, Army Res	Ft Gillem	OMS/DS/Parts Warehouse/Storage	7,620		7,620
101	Hawaii	Army	MilCon, Army	Helemano Mil. Res.	Land Easement	1,400		1,400
102	Hawaii	Army	MilCon, Army	Schofield Barracks	Barracks Complex - Quad E	49,000		49,000
103	Hawaii	Army	MilCon, Army	Schofield Barracks	Land Acquisition	19,400		19,400
104	Hawaii	Army	MilCon, Army	Schofield Barracks	Information Systems Facility	18,000		18,000
105	Hawaii	Army	MilCon, Army	Schofield Barracks	Barracks Complex - Capron Road, Phase 2	49,000		49,000
106	Hawaii	Army	MilCon, Army	Schofield Barracks	Mission Support Training Facility	33,000		33,000
107	Hawaii	Army	MilCon, Army	Schofield Barracks	Qualification Training Range (1)		8,700	8,700
108	Hawaii	Navy	MilCon, Navy	FISC Pearl Harbor	Waterfront Improvements	32,180		32,180
109	Hawaii	Navy	MilCon, Navy	NAVMAG Lualualei	Ordnance Holding Areas	6,320		6,320
110	Hawaii	Navy	MilCon, Navy	NSY Pearl Harbor	Perimeter/Security Lighting	7,010		7,010
111	Hawaii	Air Force	MilCon, Air Force	Hickam AFB	C-17 Consolidated Maintenance Complex	7,529		7,529
112	Hawaii	Air Force	MilCon, Air Force	Hickam AFB	C-17 Squadron Operations	10,674		10,674
113	Hawaii	Air Force	MilCon, Air Force	Hickam AFB	C-17 Kuntz Gate & Road	3,050		3,050
114	Hawaii	Air Force	MilCon, Air Force	Hickam AFB	C-17 Flight Simulator	5,623		5,623
115	Hawaii	Air Force	MilCon, Air Force	Hickam AFB	C-17 Corrosion Control/ Maintenance Facility	30,400		30,400
116	Hawaii	Air Force	MilCon, Air Force	Hickam AFB	C-17 Support Utilities, Phase 1	4,098		4,098
117	Hawaii	Air Force	MilCon, Air Force	Hickam AFB	Expand Strategic Airlift Ramp	10,102		10,102
118	Hawaii	Defense Logistics Agency	MilCon, Def-Wide	Hickam AFB	Replace Hydrant Fuel System	14,100		14,100
119	Idaho	Air Force	MilCon, Air Force	Mountain Home AFB	Add/Alter Fitness Center	5,337		5,337
120	Illinois	Navy	MilCon, Navy	NTC Great Lakes	Battle Station Training Facility, Increment 1	13,200		13,200

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
121	Illinois	Navy	MilCon, Navy	NTC Great Lakes	Recruit Barracks	34,130		34,130
122	Illinois	Navy	MilCon, Navy	NTC Great Lakes	Recruit Barracks	31,600		31,600
123	Illinois	Air Force	MilCon, Air Force	Scott AFB	Shiloh Gate (AT/FP)	1,900		1,900
124	Illinois	Army National Guard	MilCon, Army NG	Galesburg	Readiness Center		3,750	3,750
125	Indiana	Navy	MilCon, Navy	NSWC Crane	Joint Ordnance Engineering & Logistics Facility		11,400	11,400
126	Indiana	Army National Guard	MilCon, Army NG	ARNGRC Gary	Readiness Center, Add/Alter (ADRS)	1,417		1,417
127	Indiana	Army National Guard	MilCon, Army NG	Camp Atterbury	Readiness Center, Add/Alter (ADRS)	2,849		2,849
128	Indiana	Army National Guard	MilCon, Army NG	Elkhart	Readiness Center, Add/Alter (ADRS)	1,770		1,770
129	Indiana	Army National Guard	MilCon, Army NG	South Bend	Readiness Center, Add/Alter (ADRS)	1,496		1,496
130	Indiana	ChemDemil	MilCon, Def-Wide	Newport AAP	Ammunition Demilitarization Facility Ph 6		15,207	15,207
131	Iowa	Air National Guard	MilCon, Air NG	Sioux Gateway APT	Sioux-KC-135 Fire Crash/Rescue Station/Security	7,409		7,409
132	Kansas	Army	MilCon, Army	Ft Leavenworth	Lewis and Clark Instr Facility, Ph 1	28,000		28,000
133	Kansas	Army	MilCon, Army	Ft Riley	Barracks Complex - Graves Street	40,000		40,000
134	Kansas	Army National Guard	MilCon, Army NG	ARNGRC Kansas City	Readiness Center, Add/Alter (ADRS)	2,982		2,982
135	Kansas	Air National Guard	MilCon, Air NG	McConnell AFB	Construct Air Intelligence Exploitation Facility		7,400	7,400
136	Kansas	Army Reserve	MilCon, Army Res	Ft Leavenworth	AR Center/OMS/Unh Storage		7,962	7,962
137	Kentucky	Army	MilCon, Army	Ft Campbell	Barracks Complex - Range Road, Phase 2	49,000		49,000
138	Kentucky	Army	MilCon, Army	Ft Knox	Modified Record Fire Range	3,500		3,500
139	Kentucky	Army	MilCon, Army	Ft Knox	Urban Assault Course		2,050	2,050
140	Kentucky	Special Operations Command	MilCon, Def-Wide	Ft Campbell	Flight Simulator	7,800		7,800
141	Kentucky	Army National Guard	MilCon, Army NG	ARNGRC Maysville	Readiness Center, (ADRS)	4,997		4,997
142	Kentucky	Army National Guard	MilCon, Army NG	ARNGRC Richmond	Readiness Center, Add/Alter (ADRS)	756		756
143	Kentucky	Army National Guard	MilCon, Army NG	Greenville	Fire Station (ADRS)	2,238		2,238
144	Kentucky	ChemDemil	MilCon, Def-Wide	Blue Grass Army Depot	Ammunition Demilitarization Facility Ph 4		16,220	16,220
145	Louisiana	Army	MilCon, Army	Ft Polk	Aircraft Maintenance Hangar	34,000		34,000
146	Louisiana	Army	MilCon, Army	Ft Polk	Arms Storage Facility	1,350		1,350
147	Louisiana	Army	MilCon, Army	Ft Polk	Shoot House	1,250		1,250
148	Louisiana	Army	MilCon, Army	Ft Polk	Mission Training Support Facility	27,000		27,000
149	Louisiana	Army	MilCon, Army	Ft Polk	Alert Holding Area Facility	8,400		8,400
150	Louisiana	Army National Guard	MilCon, Army NG	ARNG Pineville	Consolidated Maintenance Facility, Phase 1	18,579		18,579
151	Louisiana	Navy Reserve	MilCon, Navy Res	NAS/JRB New Orleans	Armed Forces Reserve Center, Phase 4		10,800	10,800
152	Maryland	Army	MilCon, Army	Ft Meade	Dining Facility	9,600		9,600
153	Maryland	Navy	MilCon, Navy	NAWC Patuxent River	JSF Test Facility	24,370		24,370
154	Maryland	Navy	MilCon, Navy	NAWC Patuxent River	Relocate Range Theodolite Tracking Station		3,900	3,900
155	Maryland	Navy	MilCon, Navy	NSWC Indian Head	Water System Improvements	14,850		14,850
156	Maryland	National Security Agency	MilCon, Def-Wide	Ft Meade	Critical Utility Control, Phase II-B	1,842		1,842
157	Maryland	Army Reserve	MilCon, Army Res	Ft Meade	ARCenter/OMS/Warehouse, Phase 1	19,710		19,710
158	Maryland	Air Force Reserve	MilCon, Air Res	Andrews AFB	Alter Aircraft Maintenance Shop	2,900		2,900
159	Maryland	Air Force Reserve	MilCon, Air Res	Andrews AFB	Upgrade Airfield Pavements	835		835
160	Maryland	Air Force Reserve	MilCon, Air Res	Andrews AFB	Hydrant Fuel System	7,375		7,375

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
161	Massachusetts	Army	MilCon, Army	Soldier Systems Center, Natick	Thermal Test Facility		5,500	5,500
162	Massachusetts	Army National Guard	MilCon, Army NG	Camp Edwards	Readiness Center		2,185	2,185
163	Massachusetts	Army National Guard	MilCon, Army NG	Camp Edwards	Fire Station		2,418	2,418
164	Michigan	Army National Guard	MilCon, Army NG	Jackson	Readiness Center, (ADRS)	5,591		5,591
165	Michigan	Army National Guard	MilCon, Army NG	Shiawassee County	Readiness Center		3,508	3,508
166	Michigan	Air National Guard	MilCon, Air NG	Selfridge	Joint ANG/AFRC Medical Training		9,600	9,600
167	Minnesota	Air Force Reserve	MilCon, Air Res	Minneapolis-St. Paul IAP	Aeromedical Evacuation Building		3,650	3,650
168	Mississippi	Navy	MilCon, Navy	NS Pascagoula	Littoral Surveillance System Facility		6,100	6,100
169	Mississippi	Navy	MilCon, Navy	NAS Meridian	Fire & Rescue Station	4,570		4,570
170	Mississippi	Air Force	MilCon, Air Force	Columbus AFB	T-6 Parts Warehouse		2,200	2,200
171	Mississippi	Air Force	MilCon, Air Force	Keesler AFB	ADAL Child Development Center		2,900	2,900
172	Mississippi	Army National Guard	MilCon, Army NG	Camp Shelby	Military Education Facility, Phase 3	7,733		7,733
173	Mississippi	Air National Guard	MilCon, Air NG	Camp Shelby	Camp Shelby-C-17 Assault Runway	6,091		6,091
174	Mississippi	Air Force Reserve	MilCon, Air Res	Keesler AFB	Fuel Cell Maintenance Hangar	6,650		6,650
175	Missouri	Army	MilCon, Army	Ft Leonard Wood	Vehicle Operations Site, TA 244		5,900	5,900
176	Missouri	Air Force	MilCon, Air Force	Whiteman AFB	Education Center		11,600	11,600
177	Missouri	Army National Guard	MilCon, Army NG	ARNGRC Kansas City MO	Readiness Center, (ADRS)	4,947		4,947
178	Montana	Army National Guard	MilCon, Army NG	Billings	Organizational Maintenance Shop, Add/Alter (ADRS)	1,209		1,209
179	Montana	Army National Guard	MilCon, Army NG	Kalispell	Organizational Maintenance Shop, Add/Alter (ADRS)	706		706
180	Nebraska	Defense Logistics Agency	MilCon, Def-Wide	Offutt AFB	Replace Hydrant Fuel System	13,400		13,400
181	Nebraska	Army National Guard	MilCon, Army NG	ARNGRC Columbus	Readiness Center, Add/Alter (ADRS)	618		618
182	Nebraska	Army National Guard	MilCon, Army NG	ARNGRC York	Readiness Center, Add/Alter (ADRS)	758		758
183	Nebraska	Army National Guard	MilCon, Army NG	Norfolk, NE	Fire Station, (ADRS)	1,068		1,068
184	Nebraska	Army National Guard	MilCon, Army NG	Omaha	Readiness Center, (ADRS)	5,804		5,804
185	Nevada	Navy	MilCon, Navy	NAS Fallon	High Explosives Magazines		4,700	4,700
186	Nevada	Defense Logistics Agency	MilCon, Def-Wide	Nellis AFB	Hydrant Fuel System	12,800		12,800
187	New Jersey	Army	MilCon, Army	NAES Lakehurst	Special Purpose BN Operations Facility		2,250	2,250
188	New Jersey	Army	MilCon, Army	Picatinny Arsenal	Explosives R&D Loading Facility		11,800	11,800
189	New Jersey	Navy	MilCon, Navy	NAWC Lakehurst	EMALS Facility	20,681		20,681
190	New Jersey	Navy	MilCon, Navy	NWS Earle	General Purpose/Berthing Pier Ph 1	26,740		26,740
191	New Jersey	Air Force	MilCon, Air Force	McGuire AFB	C-17 Roads & Utilities	4,765		4,765
192	New Jersey	Air Force	MilCon, Air Force	McGuire AFB	C-17 Maintenance Training Device Facility	6,862		6,862
193	New Jersey	Army Reserve	MilCon, Army Res	Ft Dix	Officer Education School		7,000	7,000
194	New Jersey	Army Reserve	MilCon, Army Res	Ft Dix	ADD/ALT Timmerman Conference Center		3,700	3,700
195	New Jersey	Army Reserve	MilCon, Army Res	Ft Dix	Urban Assault Course		2,700	2,700
196	New Mexico	Air Force	MilCon, Air Force	Kirtland AFB	Arsenic Treatment Plant	6,957		6,957
197	New Mexico	Air Force	MilCon, Air Force	Kirtland AFB	Electrical Power Main Switching Station		4,150	4,150
198	New Mexico	Air Force	MilCon, Air Force	Tularosa	Upgrade Radar Test Facility	3,600		3,600
199	New Mexico	Army National Guard	MilCon, Army NG	ARNGRC Albuquerque	Readiness Center, Add/Alter (ADRS)	2,533		2,533
200	New York	Army	MilCon, Army	Ft Drum	Alert Holding Area Facility		3,500	3,500

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
201	New York	Army	MilCon, Army	Ft Drum	Barracks Complex - Wheeler Sack AAF, Phase 1	49,000		49,000
202	New York	Army	MilCon, Army	Ft Drum	Barracks - 10200 Area	22,500		22,500
203	New York	Army	MilCon, Army	Ft Drum	Departure Airfield Arrival Control Group Facility		5,100	5,100
204	New York	Army	MilCon, Army	Ft Drum	Mountain Ramp Expansion	11,000		11,000
205	New York	Army	MilCon, Army	Ft Drum	Tactical Unmanned Aerial Vehicle Facility		5,200	5,200
206	New York	Army National Guard	MilCon, Army NG	ARNG Utica	Organizational Maintenance Shop, Add/Alter (ADRS)	3,261		3,261
207	New York	Army National Guard	MilCon, Army NG	ARNGRC Rochester	Readiness Center, Add/Alter (ADRS)	4,332		4,332
208	New York	Air National Guard	MilCon, Air NG	Hancock Field	Munitions Storage Complex		6,500	6,500
209	New York	Air National Guard	MilCon, Air NG	Hancock Field	Replace Mobility Processing Center		2,300	2,300
210	North Carolina	Army	MilCon, Army	Ft Bragg	Barracks Complex - Bastogne Drive, Phase 1	47,000		47,000
211	North Carolina	Army	MilCon, Army	Ft Bragg	Barracks Complex - Butner Road, Phase 4	38,000		38,000
212	North Carolina	Army	MilCon, Army	Ft Bragg	Barracks - D Area, Phase 4	17,000		17,000
213	North Carolina	Army	MilCon, Army	Ft Bragg	Soldier Support Center Phase 2		11,400	11,400
214	North Carolina	Navy	MilCon, Navy	MCAS New River	Water Treatment Facility	6,240		6,240
215	North Carolina	Navy	MilCon, Navy	MCB Camp Lejeune	Consolidated Armory	10,270		10,270
216	North Carolina	Navy	MilCon, Navy	MCB Camp Lejeune	US Joint Maritime Instruction Facility	6,300		6,300
217	North Carolina	Navy	MilCon, Navy	MCB Camp Lejeune	Joint Maritime Ops & Training	12,880		12,880
218	North Carolina	Air Force	MilCon, Air Force	Pope AFB	C-130J 2-Bay Hanger	15,629		15,629
219	North Carolina	Air Force	MilCon, Air Force	Pope AFB	C-130J/30 Tech Training Facility	4,431		4,431
220	North Carolina	Air Force	MilCon, Air Force	Pope AFB	C-130J/30 Ramp Upgrade	1,239		1,239
221	North Carolina	Air Force	MilCon, Air Force	Pope AFB	C-130J Upgrade Hanger 6	2,716		2,716
222	North Carolina	Air Force	MilCon, Air Force	Seymour Johnson AFB	Boundary Fence	1,500		1,500
223	North Carolina	Air Force	MilCon, Air Force	Seymour Johnson AFB	Dormitories--144 RM	9,530		9,530
224	North Carolina	Air Force	MilCon, Air Force	Seymour Johnson AFB	Fire/Crash Rescue Station		11,800	11,800
225	North Carolina	Special Operations Command	MilCon, Def-Wide	Ft Bragg	Training Complex (SWCS)	8,500		8,500
226	North Carolina	Special Operations Command	MilCon, Def-Wide	Ft Bragg	Maze & Facade	2,400		2,400
227	North Carolina	Special Operations Command	MilCon, Def-Wide	Ft Bragg	Battalion & Company Headquarters	4,200		4,200
228	North Carolina	Special Operations Command	MilCon, Def-Wide	Ft Bragg	Company Operations Facility Addition	1,500		1,500
229	North Carolina	Special Operations Command	MilCon, Def-Wide	Ft Bragg	Joint Operations Complex	19,700		19,700
230	North Carolina	Army National Guard	MilCon, Army NG	ARNG Morrisville	Fire Station, (ADRS)	1,306		1,306
231	North Carolina	Army National Guard	MilCon, Army NG	ARNG Salisbury	Fire Station, (ADRS)	926		926
232	North Carolina	Army National Guard	MilCon, Army NG	ARNGRC Asheville	Readiness Center, (ADRS)	6,251		6,251
233	North Carolina	Army National Guard	MilCon, Army NG	ARNGRC Lenoir	Readiness Center	5,184		5,184
234	North Carolina	Defense Education Activity	MilCon, Def-Wide	MCB Camp Lejeune	Replace Existing Mainside PS	15,259		15,259
235	North Dakota	Air Force	MilCon, Air Force	Minot AFB	Add/Alter Missile Maintenance Vehicle Facility	3,050		3,050
236	North Dakota	Army National Guard	MilCon, Army NG	Bismarck	Army Aviation Support Facility Complex ADD/ALT		7,228	7,228
237	North Dakota	Army National Guard	MilCon, Army NG	Bismarck	Readiness Center, Add/Alter (ADRS)	1,873		1,873
238	Ohio		MilCon, Air Force	Wright-Patterson AFB	Consolidated Fire/Crash Rescue Station		10,600	10,600
239	Ohio	Air Force	MilCon, Air Force	Wright-Patterson AFB	Dormitory (144 room)	10,500		10,500
240	Ohio	Army National Guard	MilCon, Army NG	Camp Sherman, Chillicothe	Readiness Center		5,558	5,558

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
241	Ohio	Air National Guard	MilCon, Air NG	Airport	Replace Control Tower		8,000	8,000
242	Ohio	Army Reserve	MilCon, Army Res	Cleveland	ARCenter/OMS/AMSA/Storage	21,595		21,595
243	Oklahoma	Army	MilCon, Army	Ft Sill	Consolidated Maint. Complex, Ph 2	13,000		13,000
244	Oklahoma	Army	MilCon, Army	Ft Sill	Modified Record Fire Range	3,500		3,500
245	Oklahoma	Army	MilCon, Army	Ft Sill	Urban Assault Course Complex		2,000	2,000
246	Oklahoma	Air Force	MilCon, Air Force	Altus AFB	C-17 Modify Simulator Base	1,144		1,144
247	Oklahoma	Air Force	MilCon, Air Force	Tinker AFB	Building 3001 Revitalization, Phase 1	19,060		19,060
248	Oregon	Air Force Reserve	MilCon, Air Res	Portland IAP	Alter Flightline Facilities	2,900		2,900
249	Oregon	Air Force Reserve	MilCon, Air Res	Portland IAP	Hydrant Refueling System, Phase 2	3,050		3,050
250	Oregon	Air Force Reserve	MilCon, Air Res	Portland IAP	Fire/Crash Rescue Station	4,300		4,300
251	Pennsylvania	Army National Guard	MilCon, Army NG	Ft Indiantown Gap	Multipurpose Training Range		15,338	15,338
252	Pennsylvania	Defense Logistics Agency	MilCon, Def-Wide	Def Dist Depot New Cumberland	Replace General Purpose Warehouse at #3 & 4	27,000		27,000
253	Pennsylvania	Special Operations Command	MilCon, Def-Wide	Harrisburg IAP	C-130J Spec Mission Equip Maint Fac	3,000		3,000
254	Rhode Island	Navy	MilCon, Navy	NS Newport	Bachelor Enlisted Quarters Replacement (NAPS)	16,140		16,140
255	Rhode Island	Navy	MilCon, Navy	NUWC Newport	Underwater Weapon Systems Lab	10,890		10,890
256	Rhode Island	Air National Guard	MilCon, Air NG	Quonset State APT	Quonset-Replace Composite Aircraft Maintenance Complex	18,500		18,500
257	South Carolina	Air Force	MilCon, Air Force	Charleston AFB	Dormitory--144 RM	8,863		8,863
258	South Carolina	Air Force	MilCon, Air Force	Shaw AFB	Deployment Processing Center		8,500	8,500
259	South Carolina	Navy	MilCon, Navy	NWS Charleston	AT/FP South Annex Gate 4		2,350	2,350
260	Tennessee	Air National Guard	MilCon, Air NG	Memphis IAP	C-5 Upgrade Shops		5,000	5,000
261	Tennessee	Army Reserve	MilCon, Army Res	Nashville	AR Center/OMS/Unh Storage	8,955		8,955
262	Texas	Army	MilCon, Army	Ft Bliss	Tac Equip Shop-31st CSH		5,400	5,400
263	Texas	Army	MilCon, Army	Ft Hood	Barracks Complex - 67th St & Battalion Ave	47,000		47,000
264	Texas	Army	MilCon, Army	Ft Hood	Battalion Command and Control Facilities		6,900	6,900
265	Texas	Army	MilCon, Army	Ft Hood	Urban Assault Course	2,800		2,800
266	Texas	Navy	MilCon, Navy	NAS Corpus Christi	Control Tower		5,400	5,400
267	Texas	Air Force	MilCon, Air Force	Goodfellow AFB	Student Dormitory--200 RM	18,107		18,107
268	Texas	Air Force	MilCon, Air Force	Goodfellow AFB	Fire Training Classroom Facility	1,863		1,863
269	Texas	Air Force	MilCon, Air Force	Lackland AFB	Student Dormitory--200 RM	20,966		20,966
270	Texas	Air Force	MilCon, Air Force	Lackland AFB	Student Dormitory--300 RM	35,260		35,260
271	Texas	Air Force	MilCon, Air Force	Laughlin AFB	Aircraft Maintenance Shelter		5,200	5,200
272	Texas	Air Force	MilCon, Air Force	Laughlin AFB	Student Officers Quarters Phase 1		7,200	7,200
273	Texas	Air Force	MilCon, Air Force	Sheppard AFB	Airfield Operations Complex		9,000	9,000
274	Texas	Air Force	MilCon, Air Force	Sheppard AFB	Student Dormitory--300 RM	28,590		28,590
275	Texas	Air National Guard	MilCon, Air NG	Kelly Field Annex	Upgrade General Purpose Shops		4,000	4,000
276	Texas	Navy Reserve	MilCon, Navy Res	NAS/JRB Ft Worth	Joint Reserve Police Station		2,660	2,660
277	Texas	Navy Reserve	MilCon, Navy Res	NAS/JRB Ft Worth	Combined Passenger Terminal		3,520	3,520
278	Texas	Defense Logistics Agency	MilCon, Def-Wide	Laughlin AFB	Replace Truck Fuel Loading Facility	4,688		4,688
279	Texas	Defense Logistics Agency	MilCon, Def-Wide	NAS Kingsville	Aboveground Storage Tank Fuel Farm		9,200	9,200
280	Texas	Tri-Care Management Activity	MilCon, Def-Wide	Ft Hood	Troop Medical Clinic #10		9,400	9,400

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
281	Utah	Air Force	MilCon, Air Force	Hill AFB	Replace Munitions Storage Igloos	13,000		13,000
282	Utah	Air Force	MilCon, Air Force	Hill AFB	Small Diameter Bomb Storage Igloos	1,811		1,811
283	Utah	Air Force	MilCon, Air Force	Hill AFB	Munitions Maintenance Facility	1,000		1,000
284	Vermont	Army National Guard	MilCon, Army NG	ARNGRC South Burlington	Army Aviation Support Facility	23,827		23,827
285	Virgina	Army	MilCon, Army	Ft Belvoir	NGIC Land Acquisition		7,000	7,000
286	Virgina	Army	MilCon, Army	Ft Lee	Fire and Emergency Services Center Phase 2		3,850	3,850
287	Virgina	Army	MilCon, Army	Ft Myer	Vehicle Maintenance Facility	9,000		9,000
288	Virgina	Navy	MilCon, Navy	Henderson Hall, Arlington	Physical Fitness Center	1,970		1,970
289	Virgina	Navy	MilCon, Navy	MCCDC Quantico	WTBN Load & Test Facility	3,700		3,700
290	Virgina	Navy	MilCon, Navy	NAS Oceana	Child Development Center		10,000	10,000
291	Virgina	Navy	MilCon, Navy	NAB Little Creek	Gate 1 Improvements	3,810		3,810
292	Virgina	Navy	MilCon, Navy	NS Norfolk	Aircraft Maintenance Hangars	36,460		36,460
293	Virgina	Navy	MilCon, Navy	NS Norfolk	Pier 11 Replacement, Increment 1	27,610		27,610
294	Virgina	Navy	MilCon, Navy	NSCC Dahlgren	Naval Networks Operations Center Addition	20,520		20,520
295	Virgina	Navy	MilCon, Navy	NSCC Dahlgren	Weapons Dynamic RDT&E Center		3,500	3,500
296	Virgina	Navy	MilCon, Navy	NSY Norfolk	BEQ Shipboard Ashore, Increment 2	46,730		46,730
297	Virgina	Navy	MilCon, Navy	NSY Norfolk	Crane/Weight Handling Equipment Shop	17,770		17,770
298	Virgina	Air Force	MilCon, Air Force	Langley AFB	F-22 Vertical Wing Tank Storage	2,573		2,573
299	Virgina	Air Force	MilCon, Air Force	Langley AFB	F-22 Squadron Ops/AMU/Hangar	20,013		20,013
300	Virgina	Air Force	MilCon, Air Force	Langley AFB	F-22 Clear Water Rinse Pad	2,383		2,383
301	Virgina	Defense Logistics Agency	MilCon, Def-Wide	Langley AFB	Replace Hydrant Fuel System	13,000		13,000
302	Virgina	Special Operations Command	MilCon, Def-Wide	Dam Neck	SOF Small Arms Range	9,681		9,681
303	Virgina	Special Operations Command	MilCon, Def-Wide	Dam Neck	Mission Support Facility (CDA-N)	5,600		5,600
304	Virgina	Navy Reserve	MilCon, Navy Res	Insp Instr Stf Quantico	Reserve Training Center & Vehicle Maintenance Facility	9,497		9,497
305	Virgina	Washington Headquarters Services	MilCon, Def-Wide	WHS - VA	Pentagon Athletic Center Restoration Project	38,086		38,086
306	Virgina	Defense Threat Reduction Agency	MilCon, Def-Wide	Ft Belvoir	Headquarters Relocation	25,700		25,700
307	Washington	Army	MilCon, Army	Ft Lewis	Deployment Staging Facility	2,650		2,650
308	Washington	Army	MilCon, Army	Ft Lewis	Barracks Complex -17th & B Street, Phase 3	48,000		48,000
309	Washington	Army	MilCon, Army	Ft Lewis	Shoot House	1,250		1,250
310	Washington	Navy	MilCon, Navy	NAS Whidbey Island	Struc Aircraft/Fire Station Addition		4,350	4,350
311	Washington	Navy	MilCon, Navy	NAVMAG Indian Island	Ordnance Transfer Facility	2,240		2,240
312	Washington	Navy	MilCon, Navy	NSB Bangor	Service Pier Upgrade/Mod Building 7111	33,820		33,820
313	Washington	Navy	MilCon, Navy	NSY Puget Sound	Ship Repair Pier #3		12,120	12,120
314	Washington	Navy	MilCon, Navy	SWFPAC Bangor	Waterfront Security Force Facility	6,530		6,530
315	Washington	Air Force	MilCon, Air Force	McChord AFB	Upgrade Mission Spt Center, Ph 2	19,000		19,000
316	Washington	Defense Logistics Agency	MilCon, Def-Wide	McChord AFB	Bulk Fuel Storage Tanks	8,100		8,100
317	CONUS Various	Navy	MilCon, Navy	Various Locations CONUS	Outlying Landing Field Facilities, Increment 1	27,610		27,610
318	Bahrain	Navy	MilCon, Navy	NSA Bahrain	Operations Control Center	18,030		18,030
319	Germany	Army	MilCon, Army	ASG Bamberg	Rescission, Child Development Center	[-7,000]		[-7,000]
320	Germany	Army	MilCon, Army	ASG Bamberg	Rescission, Barracks Complex - Warner	[-10200]		[-10200]

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
321	Germany	Army	MilCon, Army	Coleman Barracks	Rescission, Upgrade Access Control Points	[-1350]		[-1350]
322	Germany	Army	MilCon, Army	Darmstadt	Rescission, Modified Record Fire Range	[-3500]		[-3500]
323	Germany	Army	MilCon, Army	Grafenwoehr	Brigade Complex - Barracks & Maint/Support	30,000		30,000
324	Germany	Army	MilCon, Army	Grafenwoehr	Brigade Complex - Troop Support Facilities	46,000		46,000
325	Germany	Army	MilCon, Army	Heidelberg	Barracks - Heidelberg Hospital	17,000		17,000
326	Germany	Army	MilCon, Army	Hohenfels	Physical Fitness Training Center	13,200		13,200
327	Germany	Army	MilCon, Army	Mannheim	Rescission, Barracks Complex - Coleman	[-42000]		[-42000]
328	Germany	Army	MilCon, Army	Schweinfurt	Rescission, Central Wash Vehicle Facility	[-2000]		[-2000]
329	Germany	Army	MilCon, Army	Vilseck	Barracks Complex, Ph 1	12,100		12,100
330	Germany	Air Force	MilCon, Air Force	Ramstein AB	CES Midfield Complex	6,250		6,250
331	Germany	Air Force	MilCon, Air Force	Ramstein AB	Consolidate 1st Combat Comm Sq, Phase 2	19,713		19,713
332	Germany	Air Force	MilCon, Air Force	Ramstein AB	Fitness Center Annex	15,903		15,903
333	Germany	Air Force	MilCon, Air Force	Spangdahlem AB	Fire Station Annex & Training Facility	3,865		3,865
334	Germany	Air Force	MilCon, Air Force	Spangdahlem AB	Passenger Terminal	1,546		1,546
335	Germany	Special Operations Command	MilCon, Def-Wide	Stuttgart	Forward Station Complex (FSOAR)	11,400		11,400
336	Germany	Defense Education Activity	MilCon, Def-Wide	Spangdahlem AB	Rescission, Elementary School Classroom Addition	[-997]		[-997]
337	Germany	Defense Education Activity	MilCon, Def-Wide	Grafenwoehr	Grafenwoehr Elementary School/Middle School	36,247		36,247
338	Germany	Defense Education Activity	MilCon, Def-Wide	Heidelberg	Mark Twain Elementary School New Multi-Purpose Room	3,086		3,086
339	Germany	Defense Education Activity	MilCon, Def-Wide	Vilseck	Vilseck Elementary School Renovation/Addition	1,773		1,773
340	Germany	Tri-Care Management Activity	MilCon, Def-Wide	Grafenwoehr	Dispensary/Dental Clinic Add/Alter	12,585		12,585
341	Guam	Navy	MilCon, Navy	COMNAVMARIANAS	Victor Warf Fender System		1,700	1,700
342	Guam	Tri-Care Management Activity	MilCon, Def-Wide	Andersen AFB	Medical/Dental Clinic Replacement	24,900		24,900
343	Iceland	Navy	MilCon, Navy	Keflavik	Rescission, Combined Dining Facility	[-14679]		[-14679]
344	Italy	Army	MilCon, Army	Aviano AB	Joint Deployment Facility	15,500		15,500
345	Italy	Army	MilCon, Army	Aviano AB	Joint Deployment Facility, Ph 2	13,000		13,000
346	Italy	Army	MilCon, Army	Livorno	Vehicle Maintenance Facility	22,000		22,000
347	Italy	Navy	MilCon, Navy	NAS Sigonella	Base Operations Support 1	34,070		34,070
348	Italy	Navy	MilCon, Navy	NAS Sigonella	Base Operations Support Facility II	14,679		14,679
349	Italy	Navy	MilCon, Navy	NSA La Maddalena	Consolidated Santo Stefano Facilities	39,020		39,020
350	Italy	Air Force	MilCon, Air Force	Aviano AB	Airfield Obst-South Ramp	7,730		7,730
351	Italy	Air Force	MilCon, Air Force	Aviano AB	Munitions Admin Facility	5,301		5,301
352	Italy	Air Force	MilCon, Air Force	Aviano AB	Zulu Arm/Dearm Pad	994		994
353	Italy	Defense Education Activity	MilCon, Def-Wide	Sigonella	Elementary School Renovate/New Construct High School	13,969		13,969
354	Italy	Defense Education Activity	MilCon, Def-Wide	Vicenza	Vicenza Elementary School/High School Renovation	16,374		16,374
355	Korea	Army	MilCon, Army	Camp Humphreys	Barracks Complex	41,000		41,000
356	Korea	Army	MilCon, Army	Camp Humphreys	Barracks Complex	35,000		35,000
357	Korea	Army	MilCon, Army	Camp Humphreys	Barracks Complex	29,000		29,000
358	Korea	Army	MilCon, Army	Camp Humphreys	Barracks Complex	25,000		25,000
359	Korea	Army	MilCon, Army	Camp Humphreys	Barracks Complex	40,000		40,000
360	Korea	Army	MilCon, Army	Camp Humphreys	Physical Fitness Training Center	4,350		4,350

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
361	Korea	Army	MilCon, Army	Camp Humphreys	Physical Fitness Training Center	6,800		6,800
362	Korea	Army	MilCon, Army	Camp Bonifas	Rescission, Physical Fitness Training Center	[-4350]		[-4350]
363	Korea	Army	MilCon, Army	Camp Castle	Rescission, Physical Fitness Training Center	[-6800]		[-6800]
364	Korea	Army	MilCon, Army	Camp Hovey	Rescission, Barracks Complex	[-25000]		[-25000]
365	Korea	Army	MilCon, Army	K-16 Airfield	Rescission, Barracks Complex	[-40000]		[-40000]
366	Korea	Defense Education Activity	MilCon, Def-Wide	Camp Humphreys	Middle School Replacement	31,683		31,683
367	Korea	Defense Education Activity	MilCon, Def-Wide	Seoul	Rescission, Middle School Replacement	[-31683]		[-31683]
368	Korea	Air Force	MilCon, Air Force	Kunsan AB	Upgrade Hardened Aircraft Shelter	7,059		7,059
369	Korea	Air Force	MilCon, Air Force	Osan AB	Dormitory--156 RM	16,638		16,638
370	Kwajalein	Army	MilCon, Army	Kwajalein Atoll	Vehicle Paint & Prep Facility	9,400		9,400
371	Portugal	Air Force	MilCon, Air Force	Lajes Field	Add/Alter Fitness Center	4,086		4,086
372	Turkey	Air Force	MilCon, Air Force	Incirlik AB	Consolidated Communications Facility	3,262		3,262
373	United Kingdom	Navy	MilCon, Navy	JMF St. Mawgan Scotland	Bachelor Enlisted Quarters	7,070		7,070
374	United Kingdom	Air Force	MilCon, Air Force	RAF Lakenheath	Dormitory--120 RM	13,606		13,606
375	United Kingdom	Air Force	MilCon, Air Force	RAF Lakenheath	Add/Alter Crash Fire Station	2,667		2,667
376	United Kingdom	Air Force	MilCon, Air Force	RAF Lakenheath	Family Support Center	5,878		5,878
377	United Kingdom	Air Force	MilCon, Air Force	RAF Lakenheath	Communications Facility	8,436		8,436
378	United Kingdom	Air Force	MilCon, Air Force	RAF Lakenheath	Mobility Cargo Processing Center	11,900		11,900
379	United Kingdom	Air Force	MilCon, Air Force	RAF Mildenhall	Child Develop Center Annex	3,646		3,646
380	United Kingdom	Air Force	MilCon, Air Force	RAF Mildenhall	Vehicle Maintenance Complex	3,320		3,320
381	United Kingdom	Air Force	MilCon, Air Force	RAF Mildenhall	Post Office	3,592		3,592
382	Wake Island	Air Force	MilCon, Air Force	Wake Island	Wide Infrastructure, Phase 1	10,000		10,000
383	Wake Island	Air Force	MilCon, Air Force	Wake Island	Repair Airfield, Phase 3	14,000		14,000
384	Worldwide Classified	Army	MilCon, Army	Classified Location	Classified Project	178,700	(178,700)	-
385	Worldwide Classified	Air Force	MilCon, Air Force	Classified Location	Predator B-Squadron OPS/AMU & Hangar	25,731		25,731
386	Worldwide Classified	Air Force	MilCon, Air Force	Classified Location	Classified MilCon	3,250		3,250
387	Unspecified	Army	MilCon, Army	Unspecified Worldwide	Unspecified Minor Construction	20,000	2,550	22,550
388	Unspecified	Army	MilCon, Army	Unspecified Worldwide	Planning and Design	100,710	5,870	106,580
389	Unspecified	Army	MilCon, Army	Unspecified Worldwide	Planning and Design - Host Nation	22,000		22,000
390	Unspecified	Navy	MilCon, Navy	Unspecified Worldwide	Unspecified Minor Construction	12,334	1,290	13,624
391	Unspecified	Navy	MilCon, Navy	Unspecified Worldwide	Planning & Design	10,054	5,529	15,583
392	Unspecified	Navy	MilCon, Navy	Unspecified Worldwide	Planning & Design	55,558		55,558
393	Unspecified	Air Force	MilCon, Air Force	Unspecified Worldwide	Planning and Design	74,345	36,305	110,650
394	Unspecified	Air Force	MilCon, Air Force	Unspecified Worldwide	Unspecified Minor Construction	12,000		12,000
395	Unspecified	Air Force	MilCon, Air Force	Unspecified Worldwide	Planning and Design	4,771		4,771
396	Unspecified	Special Operations Command	MilCon, Def-Wide	Unspecified Worldwide	Planning and Design	14,768	723	15,491
397	Unspecified	Special Operations Command	MilCon, Def-Wide	Unspecified Worldwide	Unspecified Minor Construction	2,723		2,723
398	Unspecified	Missile Defense Agency	MilCon, Def-Wide	Unspecified Worldwide	Unspecified Minor Construction	2,600		2,600
399	Unspecified	OSD Contingencies	MilCon, Def-Wide	Unspecified Worldwide	Contingency Construction	8,960		8,960
400	Unspecified	OSD Minor Construction	MilCon, Def-Wide	Unspecified Worldwide	Unspecified Minor Construction	3,000		3,000

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
401	Unspecified	OSD Planning & Design	MilCon, Def-Wide	Unspecified Worldwide	Planning and Design	20,000	5,230	25,230
402	Unspecified	OSD Planning & Design	MilCon, Def-Wide	Unspecified Worldwide	Planning and Design	997		997
403	Unspecified	NATO Security Investment Program	Program	Unspecified Worldwide	NATO Security Investment Program	169,300		169,300
404	Unspecified	Army National Guard	MilCon, Army NG	Unspecified Worldwide	Planning and Design	26,570	19,587	46,157
405	Unspecified	Army National Guard	MilCon, Army NG	Unspecified Worldwide	Unspecified Minor Construction	1,451	2,612	4,063
406	Unspecified	Air National Guard	MilCon, Air NG	Unspecified Worldwide	Planning and Design	16,030	14,278	30,308
407	Unspecified	Air National Guard	MilCon, Air NG	Unspecified Worldwide	Unspecified Minor Construction	5,500		5,500
408	Unspecified	Army Reserve	MilCon, Army Res	Unspecified Worldwide	Planning and Design	7,712		7,712
409	Unspecified	Army Reserve	MilCon, Army Res	Unspecified Worldwide	Unspecified Minor Construction	2,886		2,886
410	Unspecified	Navy Reserve	MilCon, Navy Res	Unspecified Worldwide	Planning and Design	862	750	1,612
411	Unspecified	Navy Reserve	MilCon, Navy Res	Unspecified Worldwide	Planning and Design	1,700		1,700
412	Unspecified	Air Force Reserve	MilCon, Air Res	Unspecified Worldwide	Planning and Design	11,142	1,281	12,423
413	Unspecified	Air Force Reserve	MilCon, Air Res	Unspecified Worldwide	Unspecified Minor Construction	5,160		5,160
414	Unspecified	Defense Finance & Accounting Service	MilCon, Def-Wide	Unspecified Worldwide	Unspecified Minor Construction	1,500		1,500
415	Unspecified	Base Closure IV	BRAC IV	BRAC IV	Base Realignment and Closure IV	370,427		370,427
416	Unspecified	Joint Chiefs of Staff	MilCon, Def-Wide	Unspecified Worldwide	Unspecified Minor Construction	6,330		6,330
417	Unspecified	Defense Education Activity	MilCon, Def-Wide	Unspecified Worldwide	Planning and Design	6,500		6,500
418	Unspecified	Program	MilCon, Def-Wide	Unspecified Worldwide	Energy Conservation Improvement Program	69,500		69,500
419	Unspecified	Tri-Care Management Activity	MilCon, Def-Wide	Unspecified Worldwide	Planning and Design	18,616		18,616
420	Alaska	Army	Fam Hsg Const, Army	Ft Wainwright	Family Housing New Construction	44,000		44,000
421	Alaska	Army	Fam Hsg Const, Army	Ft Wainwright	Family Housing Replacement	20,000		20,000
422	Arizona	Army	Fam Hsg Const, Army	Ft Huachuca	Family Housing Replacement	27,000		27,000
423	Arizona	Army	Fam Hsg Const, Army	Ft Huachuca	Family Housing Replacement	14,000		14,000
424	Arizona	Air Force	Fam Hsg Const, Air Force	Davis-Monthan AFB	Replace Family Housing, Phase 5	19,357		19,357
425	California	Navy	Fam Hsg Const, Navy	NAS Lemoore	Lemoore Lexington Park Replacement Construction	41,585		41,585
426	California	Air Force	Fam Hsg Const, Air Force	Travis AFB	Replace Family Housing, Phase 4	12,723		12,723
427	Delaware	Air Force	Fam Hsg Const, Air Force	Dover AFB	Replace Family Housing, Phase 3	19,601		19,601
428	Florida	Navy	Fam Hsg Const, Navy	NAS Pensacola	Replacement Construction Pensacola	3,197		3,197
429	Florida	Air Force	Fam Hsg Const, Air Force	Eglin AFB	Replace Family Housing, Phase 3	32,166		32,166
430	Idaho	Air Force	Fam Hsg Const, Air Force	Mountain Home AFB	Replace Family Housing, Phase 5	37,126		37,126
431	Kentucky	Army	Fam Hsg Const, Army	Ft Knox	Family Housing Replacement	41,000		41,000
432	Kansas	Army	Fam Hsg Const, Army	Ft Riley	Family Housing Replacement	8,300		8,300
433	Kansas	Army	Fam Hsg Const, Army	Ft Riley	Family Housing Replacement	8,400		8,400
434	Maryland	Air Force	Fam Hsg Const, Air Force	Andrews AFB	Replace Family Housing, Phase 2	20,233		20,233
435	Missouri	Air Force	Fam Hsg Const, Air Force	Whiteman AFB	Replace Family Housing	18,221		18,221
436	Montana	Air Force	Fam Hsg Const, Air Force	Malmstrom AFB	Replace Family Housing	19,368		19,368
437	New Mexico	Army	Fam Hsg Const, Army	White Sands Missile Range	Family Housing Replacement	14,600		14,600
438	North Carolina	Navy	Fam Hsg Const, Navy	MCAS Cherry Point	Slocum Vlg, Phase 2 Replacement	42,803		42,803
439	North Carolina	Navy	Fam Hsg Const, Navy	MCB Camp Lejeune	Midway Park, Phase 1	21,537		21,537
440	North Carolina	Navy	Fam Hsg Const, Navy	MCB Camp Lejeune	Replace Tarawa Terrace Housing, Phase 3	46,244		46,244

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
441	North Carolina	Air Force	Fam Hsg Const, Air Force	Seymour Johnson AFB	Replace Family Housing, Phase 7	18,336		18,336
442	North Dakota	Air Force	Fam Hsg Const, Air Force	Grand Forks AFB	Replace Family Housing, Phase G	29,550		29,550
443	North Dakota	Air Force	Fam Hsg Const, Air Force	Minot AFB	Replace Family Housing, Phase 10	41,117		41,117
444	Oklahoma	Army	Fam Hsg Const, Army	Ft Sill	Family Housing Replacement	10,000		10,000
445	Oklahoma	Army	Fam Hsg Const, Army	Ft Sill	Family Housing Replacement	15,373		15,373
446	South Dakota	Air Force	Fam Hsg Const, Air Force	Ellsworth AFB	Replace Family Housing, Phase 3	16,240		16,240
447	Texas	Air Force	Fam Hsg Const, Air Force	Dyess AFB	Replace Family Housing, Phase 4	19,973		19,973
448	Texas	Air Force	Fam Hsg Const, Air Force	Randolph AFB	Replace Family Housing	13,754		13,754
449	Virgina	Army	Fam Hsg Const, Army	Ft Lee	Family Housing Replacement	18,000		18,000
450	Germany	Army	Fam Hsg Const, Army	Darmstadt	Rescission, Whole House Revitalization (48 units)	[-4200]		[-4200]
451	Germany	Army	Fam Hsg Const, Army	Mannheim	Rescission, Whole Neighborhood Revitalization (72 units)	[-10400]		[-10400]
452	Germany	Army	Fam Hsg Const, Army	Mannheim	Rescission, Whole Neighborhood Revitalization (60 units)	[-10000]		[-10000]
453	Germany	Army	Fam Hsg Const, Army	Schweinfurt	Rescission, Whole Neighborhood Revitalization (234 units)	[-7600]		[-7600]
454	Germany	Army	Fam Hsg Const, Army	Vilseck (Amberg)	Rescission, Whole Neighborhood Revitalization (36 units)	[-3900]		[-3900]
455	Germany	Army	Fam Hsg Const, Army	Wuerzberg	Rescission, Whole Neighborhood Revitalization (136 units)	[-11200]		[-11200]
456	Germany	Air Force	Fam Hsg Const, Air Force	Spangdahlem AB	Rescission, Improve Family Housing	[-19347]		[-19347]
457	Korea	Army	Fam Hsg Const, Army	Yongsan	Rescission, Whole House Revitalization (8 units)	[-1900]		[-1900]
458	Korea	Army	Fam Hsg Const, Army	Yongsan	Rescission, Family Housing Construction (10 units)	[-3100]		[-3100]
459	Korea	Air Force	Fam Hsg Const, Air Force	Osan AB	Construct Family Housing, Phase 2	44,765		44,765
460	Portugal	Air Force	Fam Hsg Const, Air Force	Lajes Field	Replace Family Housing, Phase 3	13,428		13,428
461	United Kingdom	Air Force	Fam Hsg Const, Air Force	RAF Lakenheath	Replace Family Housing	23,640		23,640
462	Unspecified	Army	Fam Hsg Ops & Debt, Army	Unspecified Worldwide	Management Account	86,326		86,326
463	Unspecified	Army	Fam Hsg Ops & Debt, Army	Unspecified Worldwide	Miscellaneous Account	1,311		1,311
464	Unspecified	Army	Fam Hsg Const, Army	Unspecified Worldwide	Planning & Design	32,488		32,488
465	Unspecified	Army	Fam Hsg Ops & Debt, Army	Unspecified Worldwide	Utilities Account	167,332		167,332
466	Unspecified	Army	Fam Hsg Ops & Debt, Army	Unspecified Worldwide	Services Account	46,735		46,735
467	Unspecified	Army	Fam Hsg Ops & Debt, Army	Unspecified Worldwide	Insurance Premium	1		1
468	Unspecified	Army	Fam Hsg Ops & Debt, Army	Unspecified Worldwide	Furnishings Account	44,658		44,658
469	Unspecified	Army	Fam Hsg Ops & Debt, Army	Unspecified Worldwide	Privatization Support	29,587		29,587
470	Unspecified	Army	Fam Hsg Ops & Debt, Army	Unspecified Worldwide	Leasing Account	234,471		234,471
471	Unspecified	Army	Fam Hsg Ops & Debt, Army	Unspecified Worldwide	Maintenance of Real Property	432,605		432,605
472	Unspecified	Army	Fam Hsg Const, Army	Unspecified Worldwide	Family Housing Improvements	156,030		156,030
473	Unspecified	Navy	Fam Hsg Ops & Debt, Navy	Unspecified Worldwide	Privatization Support	10,609		10,609
474	Unspecified	Navy	Fam Hsg Ops & Debt, Navy	Unspecified Worldwide	Utilities Account	164,556		164,556
475	Unspecified	Navy	Fam Hsg Ops & Debt, Navy	Unspecified Worldwide	Miscellaneous Account	807		807
476	Unspecified	Navy	Fam Hsg Ops & Debt, Navy	Unspecified Worldwide	Maintenance of Real Property	377,792		377,792
477	Unspecified	Navy	Fam Hsg Ops & Debt, Navy	Unspecified Worldwide	Furnishings Account	25,462		25,462
478	Unspecified	Navy	Fam Hsg Ops & Debt, Navy	Unspecified Worldwide	Management Account	78,325		78,325
479	Unspecified	Navy	Fam Hsg Const, Navy	Unspecified Worldwide	Planning & Design	8,381		8,381
480	Unspecified	Navy	Fam Hsg Const, Navy	Unspecified Worldwide	Construction Improvements	20,446		20,446

TITLES XXI THROUGH XXVI - MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Line	Location	Service/Agency/Program	Appropriation	Installation	Project Title	FY 2004 Authorization Request	Committee Change	FY 2004 Committee Authorization
481	Unspecified	Navy	Fam Hsg Ops & Debt, Navy	Unspecified Worldwide	Leasing Account	132,433		132,433
482	Unspecified	Navy	Fam Hsg Ops & Debt, Navy	Unspecified Worldwide	SVCM's Mortgage Insurance Premium	64		64
483	Unspecified	Navy	Fam Hsg Ops & Debt, Navy	Unspecified Worldwide	Services Account	62,730		62,730
484	Unspecified	Air Force	Force	Unspecified Worldwide	Leasing Account	119,908		119,908
485	Unspecified	Air Force	Force	Unspecified Worldwide	Housing Privatization	44,536		44,536
486	Unspecified	Air Force	Fam Hsg Const, Air Force	Unspecified Worldwide	Planning & Design	33,488		33,488
487	Unspecified	Air Force	Force	Unspecified Worldwide	Utilities Account	132,651		132,651
488	Unspecified	Air Force	Force	Unspecified Worldwide	Furnishings Account	43,006		43,006
489	Unspecified	Air Force	Force	Unspecified Worldwide	Maintenance (RMPA & RMPC)	395,650		395,650
490	Unspecified	Air Force	Force	Unspecified Worldwide	Services Account	26,070		26,070
491	Unspecified	Air Force	Force	Unspecified Worldwide	Miscellaneous Account	2,527		2,527
492	Unspecified	Air Force	Fam Hsg Const, Air Force	Unspecified Worldwide	Construction Improvements	223,979		223,979
493	Unspecified	Air Force	Force	Unspecified Worldwide	Management Account	70,083		70,083
494	Unspecified	Air Force	Force	Unspecified Worldwide	Debt Account	37		37
495	Unspecified	Defense Logistics Agency	Wide	Unspecified Worldwide	Management Account	289		289
496	Unspecified	Defense Logistics Agency	Wide	Unspecified Worldwide	Furnishings Account	32		32
497	Unspecified	Defense Logistics Agency	Fam Hsg Const, Def-Wide	Unspecified Worldwide	Planning & Design	300		300
498	Unspecified	Defense Logistics Agency	Wide	Unspecified Worldwide	Utilities Account	412		412
499	Unspecified	Defense Logistics Agency	Wide	Unspecified Worldwide	Services Account	72		72
500	Unspecified	Defense Logistics Agency	Wide	Unspecified Worldwide	Maintenance of Real Property	2,057		2,057
501	Unspecified	National Security Agency	Wide	Unspecified Worldwide	Miscellaneous Account	51		51
502	Unspecified	National Security Agency	Wide	Unspecified Worldwide	Services Account	405		405
503	Unspecified	National Security Agency	Wide	Unspecified Worldwide	Utilities Account	413		413
504	Unspecified	National Security Agency	Wide	Unspecified Worldwide	Management Account	13		13
505	Unspecified	National Security Agency	Wide	Unspecified Worldwide	Leasing Account	11,987		11,987
506	Unspecified	National Security Agency	Wide	Unspecified Worldwide	Maintenance of Real Property	2,528		2,528
507	Unspecified	National Security Agency	Wide	Unspecified Worldwide	Furnishings Account	112		112
508	Unspecified	National Security Agency	Fam Hsg Const, Def-Wide	Unspecified Worldwide	Construction Improvements	50		50
509	Unspecified	Defense Intelligence Agency	Wide	Unspecified Worldwide	Furnishings Account	3,844		3,844
510	Unspecified	Defense Intelligence Agency	Wide	Unspecified Worldwide	Leasing Account	27,225		27,225
511	Unspecified	Family Housing Improvement Fund	Fund	Unspecified Worldwide	Family Housing Improvement Fund	300		300

TITLE XXI—ARMY

SUMMARY

The budget request contained $1,678,210,000 for Army military construction and $1,452,217,000 for family housing for fiscal year 2004. The committee recommends authorization of appropriations of $1,604,480,000 for military construction and $1,452,217,000 for family housing for fiscal year 2004.

ITEMS OF SPECIAL INTEREST

Planning and Design

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Army complete planning and design activities for the following projects: $158,000 for a munitions training facility at Redstone Arsenal, Alabama, $500,000 for a barracks complex (hospital area) at Fort Carson, Colorado, $740,000 for a satellite communications operations center at Fort Detrick, Maryland, and $720,000 for an aircraft corrosion control facility at Corpus Christi Army Depot, Texas.

Unspecified Minor Construction

The committee recommends that, within authorized amounts for unspecified minor construction, the Secretary of the Army execute the following projects: $1,050,000 for a general instruction building at Anniston Army Depot, Alabama, and $1,500,000 for an explosive ordnance disposal operations facility at Fort Irwin, California.

LEGISLATIVE PROVISIONS

Section 2101—Authorized Army Construction and Land Acquisition Projects

This section contains the list of authorized Army construction projects for fiscal year 2004. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Section 2102—Family Housing

This section would authorize new construction and planning and design of family housing units for the Army for fiscal year 2004.

Section 2103—Improvements to Military Family Housing Units

This section would authorize new improvements to existing units of family housing for fiscal year 2004.

Section 2104—Authorization of Appropriations, Army

This section would authorize specific appropriations for each line item contained in the Army's budget for fiscal year 2004. This section also provides an overall limit on the amount the Army may spend on military construction projects.

Section 2105—Modification of Authority To Carry Out Certain Fiscal Year 2002 Projects

This section would amend the table in section 2101 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107) to provide for an increase in the amount authorized for construction at Fort Richardson, Alaska.

TITLE XXII—NAVY

SUMMARY

The budget request contained $1,147,537,000 for Navy military construction and $1,036,971,000 for family housing for fiscal year 2004. The committee recommends authorization of appropriations of $1,251,946,000 for military construction and $1,036,971,000 for family housing for fiscal year 2004.

ITEMS OF SPECIAL INTEREST

Planning and Design

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Navy complete planning and design activities for the following project: $970,000 for a full scale electric drive test facility at the Naval Surface Warfare Center Shipyard Systems Engineering Station, Philadelphia, Pennsylvania.

Unspecified Minor Construction

The committee recommends that, within authorized amounts for unspecified minor construction, the Secretary of the Navy execute the following project: $1,290,000 for aviation maintenance officer school modifications at Naval Air Station Whiting Field, Florida.

LEGISLATIVE PROVISIONS

Section 2201—Authorized Navy Construction and Land Acquisition Projects

This section contains the list of authorized Navy construction projects for fiscal year 2004. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Section 2202—Family Housing

This section would authorize new construction and planning and design of family housing units for the Navy for fiscal year 2004.

Section 2203—Improvements to Military Family Housing Units

This section would authorize new improvements to existing units of family housing for fiscal year 2004.

Section 2204—Authorization of Appropriations, Navy

This section would authorize specific appropriations for each line item contained in the Navy's budget for fiscal year 2004. This section also provides an overall limit on the amount the Navy may spend on military construction projects.

TITLE XXIII—AIR FORCE

SUMMARY

The budget request contained $830,671,000 for Air Force military construction and $1,491,533,000 for family housing for fiscal year 2004. The committee recommends authorization of appropriations of $986,076,000 for military construction and $1,491,533,000 for family housing for fiscal year 2004.

ITEMS OF SPECIAL INTEREST

Reserve Associate Program

The committee commends the Air Force for its commitment to meeting mission requirements through its reserve associate program. The committee encourages the Air Force to consider expanding the reserve associate program to include additional facilities and platforms. Finally, the committee urges the Air Force to consider, in addition to its active bases, the use of one or more of its reserve bases in a reserve associate arrangement.

Planning and Design

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Air Force complete planning and design activities for the following projects: $1,350,000 for an air mobility operations group global reach deployment center at Travis Air Force Base, California, $486,000 for a leadership development center at Buckley Air Force Base, Colorado, $1,098,000 for a cadet area protective perimeter at the United States Air Force Academy, Colorado, $729,000 for a consolidated security forces training complex at Schriever Air Force Base, Colorado, $612,000 for force protection and access control at the west gate of Peterson Air Force Base, Colorado, $792,000 for a security forces operation facility at Patrick Air Force Base, Florida, $603,000 for a child development center at Patrick Air Force Base, Florida, $2,520,000 for a tanker airlift control center at Scott Air Force Base, Illinois, $1,350,000 for fire crash rescue stations at Holloman Air Force Base, New Mexico, $990,000 for a consolidated fire and crash rescue station at Wright Patterson Air Force Base, Ohio, $580,000 for a tri-service research facility at Brooks Air Force Base, Texas, $990,000 for a fire crash rescue station at Dyess Air Force Base, Texas, $531,000 for an air expeditionary force deployment center at Hill Air Force Base, Utah, and $1,200,000 for a mission support complex at Fairchild Air Force Base, Washington.

LEGISLATIVE PROVISIONS

Section 2301—Authorized Air Force Construction and Land Acquisition Projects

This section contains the list of authorized Air Force construction projects for fiscal year 2004. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Section 2302—Family Housing

This section would authorize new construction and planning and design of family housing units for the Air Force for fiscal year 2004.

Section 2303—Improvements to Military Family Housing Units

This section would authorize new improvements to existing units of family housing for fiscal year 2004.

Section 2304—Authorization of Appropriations, Air Force

This section would authorize specific appropriations for each line item contained in the Air Force's budget for fiscal year 2004. This section also provides an overall limit on the amount the Air Force may spend on military construction projects.

TITLE XXIV—DEFENSE AGENCIES

SUMMARY

The budget request contained $655,381,000 for defense agency military construction and $49,790,000 for family housing for fiscal year 2004. The committee recommends authorization of appropriations of $802,549,000 for military construction and $49,790,000 for family housing for fiscal year 2004.

ITEMS OF SPECIAL INTEREST

Departments of Defense and Veterans Affairs Health Care Sharing

The committee continues to believe that significant efficiencies are possible if the Department of Defense and the Department of Veterans Affairs (VA) share health care facilities. However, the Department and VA operate only 7 joint ventures, even though the 2 departments operate approximately 240 hospitals. Such incremental progress is representative of the significant bureaucratic challenges facing the health care sharing effort. Nevertheless, the committee believes that the Department and VA should take advantage of health care sharing opportunities whenever possible.

The committee understands that the Colorado University School of Medicine has begun relocation to the site of the closed Fitzsimons Army Hospital. The Department of Veterans Affairs is currently considering replacement of the Denver VA Medical Center, a 50-year-old structure now co-located with the Colorado medical school, as a part of that relocation. The committee understands

that the Department is also considering participation in the VA Medical Center's new facility. As such, the committee believes that the Department of Defense should participate in design and construction of this facility, which would provide ambulatory and acute care medical services to military personnel attached to Buckley Air Force Base. Such an approach would allow the Department to leverage construction, operations, and maintenance costs of a joint facility with VA, and eliminate the Department's need to construct an additional medical treatment facility at Buckley Air Force Base. In this particular case, a joint facility would further benefit by sharing significant assets with the Colorado University School of Medicine Facility, resulting in further savings.

With the expectation that the Department of Defense and the Department of Veterans' Affairs will reach an agreement on sharing design and construction costs at levels representative of their medical requirements, the committee recommends authorization of $4,000,000 for planning and design of a DOD–VA medical treatment facility at the site of the closed Fitzsimons Army Hospital.

Planning and Design

The committee recommends that, within authorized amounts for planning and design, the Secretary of Defense complete planning and design activities for the following projects: $470,000 for a boat launch facility at Naval Air Station North Island, California and $4,000,000 for a DOD–VA medical treatment facility at Fitzsimons Campus, Colorado.

LEGISLATIVE PROVISIONS

Section 2401—Authorized Defense Agencies Construction and Land Acquisition Projects

This section contains the list of authorized defense agencies construction projects for fiscal year 2004. The authorized amounts are listed on an installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Section 2402—Family Housing

This section would authorize new construction and planning and design of family housing units for defense agencies for fiscal year 2004.

Section 2403—Improvements to Military Family Housing Units

This section would authorize new improvements to existing units of family housing for fiscal year 2004.

Section 2404—Energy Conservation Projects

This section would authorize the Secretary of Defense to carry out energy conservation projects.

Section 2405—Authorization of Appropriations, Defense Agencies

This section would authorize specific appropriations for each line item contained in the defense agencies' budgets for fiscal year 2004.

This section also provides an overall limit on the amount the defense agencies may spend on military construction projects.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

OVERVIEW

The budget request contained $169,300,000 for the North Atlantic Treaty Organization (NATO) infrastructure fund (NATO Security Investment Program) for fiscal year 2004. The committee recommends authorization of $169,300,000 for fiscal year 2004.

LEGISLATIVE PROVISIONS

Section 2501—Authorized NATO Construction and Land Acquisition Projects

This section would authorize the Secretary of Defense to make contributions to the North Atlantic Treaty Organization Security Investment Program in an amount equal to the sum of the amount specifically authorized in section 2502 of this bill and the amount of recoupment due to the United States for construction previously financed by the United States.

Section 2502—Authorization of Appropriations, NATO

This section would authorize appropriations of $169,300,000 as the U.S. contribution to the North Atlantic Treaty Organization Security Investment Program.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SUMMARY

The budget request contained $369,550,000 for military construction of guard and reserve facilities for fiscal year 2004. The committee recommends authorization for fiscal year 2004 of $573,941,000 to be distributed as follows:

Army National Guard	$253,788,000
Air National Guard	123,408,000
Army Reserve	89,840,000
Naval and Marine Corps Reserve	45,762,000
Air Force Reserve	61,143,000
Total	573,941,000

ITEMS OF SPECIAL INTEREST

Planning and Design, Air National Guard

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Air Force complete planning and design activities for the following projects: $954,000 for an operations and training complex at Savannah International Airport, Georgia, $754,000 for a composite training facility at the Greater Peoria Regional Airport, Illinois, $468,000 for a fire station

at Pease International Tradeport, New Hampshire, and $602,000 for a fire station at Stewart International Airport, New York.

Planning and Design, Air Reserve

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Air Force complete planning and design activities for the following project: $220,000 for visitors' quarters at Homestead Air Reserve Base, Florida.

Planning and Design, Army National Guard

The committee recommends that, within authorized amounts for planning and design, the Secretary of the Army complete planning and design activities for the following projects: $2,500,000 for an armed forces reserve center at Moreno Valley, California, $1,772,000 for an armed forces reserve center in Lawrence, Indiana, $844,000 for a joint armed forces reserve center at Gary/Chicago Airport, Indiana, $726,000 for an aviation support facility at Bangor International Airport, Maine, $7,849,000 for an aviation classification and repair activity depot in Springfield, Missouri, $651,000 for a Blackhawk support facility in Bismarck, North Dakota, $480,000 for a readiness center in Waynesburg, Pennsylvania, and $767,000 for an armed forces reserve center at Fort Jackson, South Carolina.

Unspecified Minor Construction, Army National Guard

The committee recommends that, within authorized amounts for unspecified minor construction, the Secretary of the Army execute the following projects: $1,498,000 for a one stop personnel center at Papago Park Military Reservation, Arizona and $1,114,000 for readiness center upgrades at Pontiac Armory, Michigan.

LEGISLATIVE PROVISIONS

Section 2601—Authorized Guard and Reserve Construction and Land Acquisition Projects

This section would authorize appropriations for military construction for the guard and reserve by service component for fiscal year 2004. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

LEGISLATIVE PROVISIONS

Section 2701—Expiration of Authorizations and Amounts Required to be Specified by Law

This section would provide that authorizations for military construction projects, repair of real property, land acquisition, family housing projects and facilities, contributions to the North Atlantic Treaty Organization infrastructure program, and guard and reserve projects will expire on October 1, 2006 or the date of enactment of an act authorizing funds for military construction for fiscal

year 2007, whichever is later. This expiration would not apply to authorizations for which appropriated funds have been obligated before October 1, 2006 or the date of enactment of an act authorizing funds for military construction for fiscal year 2007, whichever is later.

Section 2702—Extension of Authorizations of Certain Fiscal Year 2001 Project

This section would extend one fiscal year 2001 military construction authorization until October 1, 2004, or the date of enactment of an act authorizing funds for military construction for fiscal year 2005, whichever is later. The extended authorization applies to the following project: $250,000 for new construction of General and Flag Officers Quarters at Fort Jackson, South Carolina.

Section 2703—Extension of Authorizations of Certain Fiscal Year 2000 Projects

This section would extend certain fiscal year 2000 military construction authorizations until October 1, 2004, or the date of enactment of an act authorizing funds for military construction for fiscal year 2005, whichever is later. The extended authorizations apply to the following projects: $13,500,000 for construction of a multi-purpose range at Fort Pickett,Virginia, and $6,000,000 to replace family housing at Tinker Air Force Base, Oklahoma.

Section 2704—Effective Date

This section would provide that titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of this bill shall take effect on October 1, 2003, or the date of enactment of this act, whichever is later.

TITLE XXVIII—GENERAL PROVISIONS

ITEMS OF SPECIAL INTEREST

Housing Privatization Programs

The committee commends the Department of Defense (DOD) for its efforts to privatize military family housing facilities. To date, these efforts have resulted in notable improvements in the quality of life for military families and an achievable approach to meeting the Department's military housing requirements over the next decade.

However, the committee is concerned that the military services have not consistently taken a comprehensive approach to privatization projects. As a result, the services have missed opportunities to include vital community facilities, such as schools, in their privatization contracts. While including such facilities may not be economically feasible in some cases, the committee believes that the services should include integral facilities, particularly schools, whenever possible and necessary.

Unfortunately, in at least one case, a military service and the Department have not agreed upon a funding source for a school to serve a privatized housing site. While the committee prefers to give the Department maximum flexibility in handling such matters, leg-

islation to require a consistent approach to funding military schools may become necessary if the Department does not take a comprehensive view of community planning in privatization.

Therefore, the committee directs the Secretary of Defense to develop clear guidelines for the military services to use in determining when schools must be included in privatization contracts and, in those cases where schools are not included, determine whether the Department or the service shall be responsible for funding educational facilities. In addition, the committee urges the Secretary to ensure that the services and the DOD Education Activity have sufficient resources to meet the school construction needs of the United States military.

Finally, the committee is concerned that the Department did not respond to the committee's direction in the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314) to report on the impact of privatized housing on local school systems. The committee again directs the Department to provide such a report to Congress and urges the Department to address school budgeting issues in its fiscal year 2005 budget request.

U.S.-Mexico Border Airspace

The committee is troubled by reports that the Department of Homeland Security (DHS) and the Department of Defense have been unable to reach agreement on access to airspace controlled by the Department of Defense along certain portions of the U.S.-Mexico border. Given the heightened importance of border patrols to homeland security since September 11, 2001, the committee directs the Secretary of Defense to work with DHS to develop an access plan that meets both DOD's training and readiness requirements and DHS's requirements to patrol the nation's borders.

Base Realignment and Closure

The committee recognizes that the United States military must possess the facilities, land, and air space necessary to support its forces in order to maintain national security and remain capable of winning future conflicts. In 1991, the Joint Chiefs of Staff and the Secretary of Defense proposed shaping the military into the "Base Force," a force that included 1.6 million active duty personnel and 900,000 reserve component personnel, 12 active Army divisions, 12 aircraft carrier battlegroups, 3 active divisions for the Marine Corps, and 15 active fighter wings for the Air Force. Although today's United States military is somewhat smaller than the Base Force, the Base Force represents a level to which the military might reasonably be expected to "surge" in a future crisis or significant permanent change in the global security environment. Therefore, the committee recommends a series of provisions to ensure that the United States military retains the resources and facilities it needs to defend the nation's interests. The first provision, contained in title 9 of this bill, would establish a military force structure "floor" at the current level.

The remaining provisions are contained in title 28 of this bill, and specific descriptions may be found in the section-by-section portion below. These provisions would modify current Base Realignment and Closure (BRAC) law to ensure that the 2005 BRAC

round results in a national inventory of installations capable of supporting a Base Force-size military that is stationed entirely within the United States. The committee believes that such an inventory will ensure that the United States military has the infrastructure necessary to meet future crises, and that dropping below this level would jeopardize the military's ability to adapt to meet evolving and future threats to U.S. national security.

LEGISLATIVE PROVISIONS

SUBTITLE A—MILITARY CONSTRUCTION PROGRAM AND MILITARY FAMILY HOUSING CHANGES

Section 2801—Increase in Maximum Amount of Authorized Annual Emergency Construction

This section would amend section 2803 of title 10, United States Code, to increase from $30,000,000 to $45,000,000 the annual limit on the amount a service secretary may obligate for emergency military construction projects not otherwise authorized by law.

Section 2802—Authority To Lease Military Family Housing Units in Italy

This section would amend section 2828 of title 10, United States Code, to increase from 2,000 to 2,800 the number of family housing units the Secretary of the Navy may lease in Italy for not more than $25,000 per unit per year.

Section 2803—Changes to Alternative Authority for Acquisition and Improvement of Military Housing

This section would amend section 2880 of title 10, United States Code, to provide increased flexibility for the Department of Defense to determine the amount of space provided to each person in on-base unaccompanied housing built under the privatization program.

This section would also amend section 2883 of title 10, United States Code, to merge the Department of Defense Family Housing Improvement Fund and the Department of Defense Unaccompanied Housing Improvement Fund into a single Department of Defense Housing Improvement Fund. This single fund will give the Department increased flexibility in managing its housing resources.

Finally, this section would increase the cap on budget authority for contracts and investments to military housing privatization projects from $850,000,000 to $900,000,000.

Section 2804—Additional Material for Annual Report on Housing Privatization Program

This section would require the Department to include additional information in its annual report on housing privatization programs. The additional information would include a review of privatization activities entered into in previous years, privatization activities planned in the future, authorities necessary to improve the program, and additional facilities planned as part of each privatization project. Finally, the report must include an explanation for each

case in which a privatization effort does not include additional facilities, such as schools, in the contract.

Section 2805—Authority To Convey Property at Military Installations Closed or to be Closed in Exchange for Military Construction Activities

This section would expand the Department's existing authority to transfer property at a military installation that has been closed or will be closed to persons who construct or provide family housing in exchange. The expanded authority would permit the Department to transfer property at such installations in exchange for family housing, unaccompanied housing, and authorized military construction activities.

Although the Department has had the authority to make land-for-family housing trades for several years, it has rarely taken advantage of the opportunity to do so. The committee believes that the Department should utilize land-for-construction trades to leverage maximum return for excess lands at military installations that have been closed or realigned by the base closure process.

As such, this section would require the Department to utilize the authority for land-for-construction trades in at least 20 percent of base closure disposals of property that has not been identified as essential to a redevelopment plan. This section would also require each of the services to endeavor to use the authority provided for at least $200,000,000 worth of exchanges annually. In meeting the requirements of this section, the fair market value of the housing or facilities received by the Department must equal or exceed the fair market value of the real property conveyed. If not, the Department must receive payments equal to the difference, to be deposited into the Department of Defense Housing Improvement Fund. In order to count a land-for-construction trade towards the 20 percent and $200,000,000 per year requirements of this section, at least 90 percent of the payment for the land must be in the form of new construction.

Finally, this section would require the Department to provide an annual report to Congress on the use of this authority. The committee expects the Department to utilize this exchange authority to support construction programs already authorized by Congress, and that the Department would request that funds not obligated as a result of land for construction trades be reprogrammed to support authorized military construction and family housing projects in future years.

Section 2806—Congressional Notification and Reporting Requirements and Limitations Regarding Use of Operation and Maintenance Funds for Construction

This section would limit the Department's ability to utilize operation and maintenance funds for certain construction purposes. First, the section would prohibit the Department from spending more than $5,000,000 of operation and maintenance funds on any single construction project. Second, it would prohibit the annual use of more than $200,000,000 of operation and maintenance funds for such purposes. Third, it would require the Department to notify Congress 14 days before obligating more than $1,500,000 of oper-

ation and maintenance funds for construction purposes. However, a service secretary may waive the notice and wait requirement in those cases where a delay would jeopardize national security, health, or safety. If such a waiver is issued, this section would require the secretary to report to Congress within five days.

Finally, this section would require the Department to provide a quarterly report to Congress on the worldwide use of operation and maintenance funds for construction purposes.

This section reflects the committee's concern about the Department's interpretation of authorities provided by the United States Code for the use of operation and maintenance funds to build "temporary" military facilities to meet operational requirements. The committee believes that the Department's actions in this regard do not reflect congressional intent and, in fact, contradict military construction authorities contained within title 10, United States Code.

Therefore, this section does not codify the Department's practices of using operation and maintenance spending for construction purposes. Rather, it is intended to allow the Department time to reconsider its use of operation and maintenance funds, while limiting the scope of such activities during fiscal year 2004.

Over the coming year, the committee will closely monitor the Department's operation and maintenance spending for construction purposes, and expects the Department to develop and request a military construction legislative proposal and budget that would allow for the flexibility required by the Department. Finally, the committee encourages the Department to report to Congress quarterly on its worldwide use of operation and maintenance funds for construction until enactment of the National Defense Authorization Act for Fiscal Year 2004.

Section 2807—Increase in Authorized Maximum Lease Term for Family Housing and Other Facilities in Certain Foreign Countries

This section would increase from 10 to 15 years the maximum length of lease that the Department may enter for housing facilities in Korea. This section would also increase from 5 to 15 years the maximum length of lease that the Department may enter for other militarily-related facilities in Korea.

SUBTITLE B—REAL PROPERTY AND FACILITIES ADMINISTRATION

Section 2811—Real Property Transactions

This section would amend section 2672 of title 10, United States Code, to increase from $500,000 to $1,500,000 the limit on the amount a service secretary may obligate to acquire land in the interest of national defense. This section would also amend section 2672a of title 10, United States Code, to require a service secretary who utilizes the section to acquire land to notify Congress within 10 days of determining that such an acquisition is necessary. Finally, this section would amend section 2662 of title 10, United States Code, which requires service secretaries to report to Congress before entering into certain real estate transactions (including acquisition, leases, and transfers of real property), to shorten congressional notification requirements and increase spending levels at which reports are required.

SUBTITLE C—LAND CONVEYANCES

Section 2821—Termination of Lease and Conveyance of Army Reserve Center, Conway, Arkansas

This section would authorize the Secretary of the Army to convey, without consideration, a parcel of real property in Conway, Arkansas to the University of Central Arkansas. This section would also authorize the Secretary of the Army to terminate a lease between the Secretary and the University for the property on which the facility is located.

Section 2822—Actions To Quiet Title, Fallin Waters Subdivision, Eglin Air Force Base, Florida

This section would authorize the Secretary of the Air Force to quiet title to tracts of land at Eglin Air Force Base, Florida by conveying, acquiring, or exchanging small parcels of land. This authorization is intended to allow the Secretary to resolve longstanding encroachment issues with local communities that resulted from inaccurate surveys.

Section 2823—Modification of Land Conveyance, Eglin Air Force Base, Florida

Public Law 91–347, directed the Secretary of the Air Force to transfer certain real property to the Okaloosa County School Board on the condition that the property would be used for public schools and that any portion of the property not used as such would be returned to the United States. This section would amend Public Law 91–347 to authorize the Okaloosa County School Board to lease the undeveloped portion of this property to Okaloosa County for other public purposes.

Section 2824—Land Conveyance, Fort Campbell, Kentucky and Tennessee

This section would authorize the Secretary of the Army to convey a parcel of real property to the Department of Transportation of the State of Tennessee for consideration. The property is to be used to realign and upgrade United States Highway 79 from a two-lane highway to a four-lane highway. The costs incurred during conveyance of the property, including administrative costs and acquisition of 200 acres of mission-essential replacement property, shall be borne by the State.

Section 2825—Land Conveyance, Army and Air Force Exchange Service Property, Dallas, Texas

This section would authorize the Secretary of Defense to authorize the Army and Air Force Exchange Service (AAFES) to sell a parcel of real property, including improvements, at 1515 Roundtable Drive in Dallas, Texas. The section would require that AAFES sell the property at fair market value, and that proceeds be retained as AAFES nonappropriated funds.

Section 2826—Land Conveyance, Naval Reserve Center, Orange, TX

This section would authorize the Secretary of the Navy to convey a parcel of real property to the City of Orange, Texas for consideration. The 2.5 acre parcel of property, located at the Naval Reserve Center, Orange, Texas, may be used for construction of an access road, economic development, or other public purposes.

SUBTITLE D—OTHER MATTERS

Section 2841—Redesignation of Yuma Training Range Complex as Bob Stump Training Range Complex

This section would rename the Yuma Training Range Complex the Bob Stump Training Range Complex in honor of the former chairman of the House Committee on Armed Services, Congressman Bob Stump. The committee notes that renaming the Yuma Training Range Complex in Congressman Stump's honor is particularly fitting, as the congressman was a cosponsor of legislation in 1985 that created the Barry M. Goldwater Range as it stands today. The Goldwater Range is used, in part, by the Yuma Training Range Complex, and is supported by Luke Air Force Base, the most significant military installation in the district served by former Congressman Stump.

Section 2842—Modification of Authority To Conduct a Round of Realignments and Closures of Military Installations in 2005

This section would amend current base realignment and closure law to define the parameters by which the Secretary of Defense determines military force structure and infrastructure requirements. Under current law, the Secretary of Defense must submit a force structure plan and description of necessary supporting infrastructure with the fiscal year 2005 defense budget request. This provision would require the Secretary of Defense to submit a force structure plan that assumes, at a minimum, the 1991 Base Force structure plan. In addition, the Secretary's description of supporting infrastructure must be capable of sustaining the entire planned force structure if no U.S. forces were permanently based outside of the United States.

This provision would also amend current law to require the Secretary of Defense to submit, not later than April 1, 2005, a list of core military installations considered absolutely essential to national defense, to the base closure commission. This list must contain at least 50 percent of the total number of installations within the United States. Following consideration and approval of this list by the base closure commission and the President, this list of installations would be eliminated from consideration for closure or realignment.

Section 2843—Use of Force-Structure Plan for the Armed Forces in Preparation of Selection Criteria for Base Closure Round

This section would require the Secretary of Defense, when making closure and realignment recommendations, to use the force

structure plan required by base realignment and closure law, as amended by section 2842 of this act.

Section 2844—Requirement for Unanimous Vote of Defense Base Closure and Realignment Commission to Recommend Closure of Military Installation not Recommended for Closure by Secretary of Defense

This section would amend section 2914(d) of the Defense Base Closure and Realignment Act of 1990 to require a unanimous vote of the base closure commission to add an installation to the list of bases recommended for closure by the Secretary of Defense.

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

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

OVERVIEW

The budget request contained $16,679.2 million for the national security activities of the Department of Energy for fiscal year 2004 (excluding a rescission of $75.0 million of balances remaining available for Cerro Grande fire activities). Of this amount, $8,834.6 million is for the programs of the National Nuclear Security Administration, $7,734.1 million is for environmental and other defense activities, and $110.5 million is for energy supply. The committee recommends the budget request of $16,679.2 million, representing an increase of $1,103.2 million from the amount authorized for fiscal year 2003. The following table summarizes the budget request and the committee recommendations.

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Energy Supply					
Nuclear Energy					
Infrastructure					
Idaho facilities management					
INEEL infrastructure					
INEEL infrastructure O&M (050)	21,415	0			21,415
Idaho sitewide safeguards and security (050)	56,654	0			56,654
Total, Infrastructure	78,069	0			78,069
Program direction (050)	35,407	0			35,407
Subtotal Nuclear Energy	113,476	0			113,476
Less security charge for reimbursable work (NE) (050)	(3,003)	0			(3,003)
Total, Energy Supply	**110,473**	**0**			**110,473**
Weapons Activities					
Directed stockpile work					
Stockpile research and development	433,150				433,150
Stockpile maintenance	405,746	0			405,746
Stockpile evaluation	202,885	0			202,885
Dismantlement/disposal	37,722	0			37,722
Production support	278,113	17,000	17,000		295,113
Field engineering, training and manuals	7,170	0			7,170
Total, Directed stockpile work	1,364,786	17,000	17,000	0	1,381,786
Campaigns					
Science campaigns					
Primary certification	65,849	0			65,849
Dynamic materials properties	82,251	0			82,251
Advanced radiography					
Operations and maintenance	65,985	(5,000)		(5,000)	60,985

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Secondary certification and nuclear systems margins	55,463	0			55,463
Total, Science campaigns	269,548	(5,000)	0	(5,000)	264,548
Engineering campaigns					
Enhanced surety	37,974	0			37,974
Weapons system engineering certification	28,238	0			28,238
Nuclear survivability	23,977	0			23,977
Enhanced surveillance	94,781	0			94,781
Advanced design and production technologies	79,917	0			79,917
Engineering campaigns construction activities					
Operations and maintenance	4,500	0			4,500
Construction:					
01-D-108 Microsystem and engineering science applications, SNL, Albuquerque, NM	61,800	0			61,800
Total, Engineering campaigns construction activities	66,300	0	0	0	66,300
Total, Engineering campaigns	331,187	0	0	0	331,187
Inertial confinement fusion and high yield campaign					
Operations and maintenance	316,769	(5,000)		(5,000)	311,769
Construction:					
96-D-111 National ignition facility (NIF), LLNL, Livermore, CA	150,000				150,000
Total, Inertial confinement fusion and high yield campaign	466,769	(5,000)	0	(5,000)	461,769
Advanced simulation and computing campaign					
Operations and maintenance	713,326	0			713,326
Construction:					
01-D-101 Distributed information systems laboratory, SNL, Livermore, CA	12,300	0			12,300
00-D-103, Terascale simulation facility, LLNL, Livermore, CA	25,000	0			25,000
00-D-107 Joint computational engineering laboratory, SNL, Albuquerque, NM	0	0			0
Total, Construction	37,300	0	0	0	37,300
Total, Advanced simulation and computing campaign	750,626	0	0	0	750,626

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Pit manufacturing and certification campaign	320,228	0			320,228
Readiness campaigns					
Stockpile readiness	55,158	2,000	2,000		57,158
High explosives manufacturing and weapons assembly/disassembly readiness	29,649				29,649
Non-nuclear readiness	37,397				37,397
Materials readiness	0	0			0
Tritium readiness					
Operations and maintenance	59,893	0			59,893
Construction:					
98-D-125 Tritium extraction facility, Savannah River site, Aiken, SC	75,000	0			75,000
98-D-126 Accelerator production of tritium (APT), various locations	0	0			0
Total, Construction	75,000	0			75,000
Total, Tritium readiness	134,893	0			134,893
Total, Readiness campaigns	257,097	2,000	2,000	0	259,097
Total, Campaigns	2,395,455	(8,000)	2,000	(10,000)	2,387,455
Readiness in technical base and facilities					
Operations of facilities	972,773	16,300	36,300	(20,000)	989,073
Other sites		[-20,000]		[-20,000]	
Y-12 Plant Facilities and Legacy Material Stewardship		[7,000]	[7,000]		
Pantex Plant Maintenance		[14,300]	[14,300]		
Pantex General Plant Projects and Capital Equipment		[15,000]	[15,000]		
Program readiness	131,093	0			131,093
Special projects	42,975	0			42,975
Material recycle and recovery	76,189	0			76,189
Containers	16,006	0			16,006
Storage	11,365	0			11,365
Nuclear weapons incident response	89,694	0			89,694

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Subtotal, Readiness in technical base and facilities	1,340,095	16,300	36,300	(20,000)	1,356,395
Construction:					
04-D-101 Test capabilities revitalization, Sandia National Laboratories, Albuquerque, NM	36,450	0			36,450
04-D-102 Exterior communications infrastructure modernization, Sandia National Laboratories Alb	20,000	0			20,000
04-D-103 Project engineering and design, (PED) various locations	2,000	0			2,000
04-D-104 National security sciences building Los Alamos National Laboratory, Los Alamos, NM	50,000	(12,000)		(12,000)	38,000
04-D-125 Chemistry and metallurgy facility replacement project, Los Alamos National Laboratory,	20,500	0			20,500
04-D-126 Building 12-44 production cellsupgrade, Pantex plant, Amarillo, TX	8,780	0			8,780
04-D-127 Cleaning and loading modifications Savannah River site, Aiken, SC	2,750	0			2,750
04-D-128 TA-18 Mission relocation project Los Alamos National Laboratory, Los Alamos, NM	8,820	0			8,820
03-D-101 Sandia underground reactor facility Sandia National Laboratories, Albuquerque, NM	0	0			0
03-D-102 LANL Admininistration Building (LANL)					
03-D-103 Project engineering and design (PED) various locations	10,570	0			10,570
03-D-121 Gas transfer capacity expansion, Kansas City Plant, Kansas City, MO	15,300	0			15,300
03-D-122 Purification facility, Y-12 plant Oak Ridge, TN	0	0			0
03-D-123 Special nuclear materials component requalification facility, Pantex plant, Amarillo, TX	7,628	0			7,628
02-D-103 Project engineering and design, various locations	10,950	0			10,950
02-D-105 Engineering technology complex upgrade (ETCU), LLNL, Livermore, CA	9,776	0			9,776
02-D-107 Electrical power systems safety communications and bus upgrades, Nevada Test Site	2,887	0			2,887
01-D-103 Project engineering and design (PED) various locations	1,600	0			1,600
01-D-107 Atlas relocation and operations Nevada Test Site, NV	0	0			0
01-D-108 Microsystem and engineering science applications (MESA), SNL, Albuquerque, NM	0	0			0
01-D-124 HEU materials facility, Y-12 plant, Oak Ridge, TN	45,000	0			45,000
01-D-126 Weapons Evaluation Test Laboratory Pantex Plant, Amarillo, TX	2,838	0			2,838
01-D-800 Sensitive compartmented information facility, LLNL, CA	0	0			0
99-D-103 Isotope sciences facilities, LLNL, Livermore, CA	0	0			0
99-D-104 Protection of real property (roof reconstruction-Phase II), LLNL, Livermore, CA	3,500	0			3,500
99-D-106 Model validation & system certification center, SNL, Albuquerque, NM	0	0			0
99-D-125 Replace boilers & controls, Kansas City plant, Kansas City, MO	0	0			0
99-D-127 Stockpile management restructuring initiative, Kansas City plant, Kansas City, MO	12,475	0			12,475
99-D-128 Stockpile management restructuring initiative, Pantex plant, Amarillo, TX	0	0			0

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
98-D-123 Stockpile management restructuring initiative, Tritium factory modernization and consoli	0	0			0
98-D-124 Stockpile management restructuring initiative, Y-12 plant Oak Ridge, TN	0	0			0
97-D-123 Structural upgrades, Kansas City plant, Kansas City, MO	0	0			0
96-D-102 Stockpile stewardship facilities revitalization, Phase VI, various locations	1,552	0			1,552
90-D-124 High explosive synthesis facility, Pantex plant, Amarillo, TX	0	0			0
88-D-125 HE machining facility, PX	0	0			0
Total, Construction	273,376	(12,000)	0	(12,000)	261,376
Total, Readiness in technical base and facilities	1,613,471	4,300	36,300	(32,000)	1,617,771
Facilities and infrastructure recapitalization program					
Operation and maintenance	261,404	0			261,404
Construction					
04-D-203 Facilities and infrastructure recapitalization program (FIRP), project engineering design	3,719	0			3,719
Total, Facilities and infrastructure recapitalization program	265,123	0			265,123
Secure transportation asset					
Operations and equipment	123,605	0			123,605
Program direction	58,795	0			58,795
Total, Secure transportation asset	182,400	0			182,400
Safeguards and security					
Operations and maintenance	582,067	1,700	11,700	(10,000)	583,767
Physical and Cyber Security Research and Development		[-10,000]		[-10,000]	
LLNL Security Upgrades	0	[11,700]	[11,700]		
Construction:					
99-D-132 Nuclear material safeguards and security upgrade project, LANL, Los Alamos, NM	3,683	0			3,683
Total, Safeguards and security	585,750	1,700	11,700	(10,000)	587,450
Subtotal, Weapons Activities	6,406,985	15,000	67,000	(52,000)	6,421,985
Adjustments					

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Use of prior year balances	0	0			0
Less security charge for reimbursable work	(28,985)	0			(28,985)
Total, Adjustments	(28,985)	0			(28,985)
Total, Weapons Activities	**6,378,000**	**15,000**	**67,000**	**(52,000)**	**6,393,000**
Defense Nuclear Nonproliferation					
Nonproliferation and verification R&D					
Operation and maintenance	203,873	0			203,873
Construction:					
00-D-192 Nonproliferation and international security center (NISC), LANL	0	0			0
Total, Nonproliferation & verification R&D	203,873	0	0	0	203,873
Nonproliferation and international security	101,734	0	5,000	(5,000)	101,734
IAEA Safeguards and Nonproliferation Policy	0	[-5,000]		[-5,000]	
Nuclear Noncompliance Verification	0	[5,000]	[5,000]		
Nonproliferation programs with Russia					
International nuclear materials protection and cooperation	226,000	0			226,000
Russian transition initiatives	40,000	0			40,000
HEU transparency implementation	18,000	0			18,000
International nuclear safety and cooperation	14,083	(2,500)		(2,500)	11,583
Elimination of weapons-grade plutonium production program	50,000	0			50,000
Accelerated materials disposition	30,000	(25,000)		(25,000)	5,000
Fissile materials disposition					
U S surplus materials disposition	193,805	0			193,805
Russian surplus materials disposition	47,100	0			47,100
Construction:					
01-D-407 Highly enriched uranium (HEU) blend down, Savannah River, SC	0	0			0
99-D-141 Pit disassembly and conversion facility, Savannah River, SC	13,600	0			13,600

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
99-D-143 Mixed oxide fuel fabrication facility, Savannah River, SC	402,000	0			402,000
Total, Construction	415,600	0			415,600
Program direction	0	0			0
Total, Fissile materials disposition	656,505	0	0	0	656,505
Total, Nonproliferation programs with Russia	1,034,588	(27,500)	0	(27,500)	1,007,088
Return of domestic sealed sources	0	0			0
Program direction	0	0			0
Subtotal, Defense Nuclear Nonproliferation	1,340,195	(27,500)	5,000	(32,500)	1,312,695
Adjustments:					
Use of prior year balances	0	0			0
International renewable energy program	0	0			0
Total, Adjustments	0	0			0
Total, Defense Nuclear Nonproliferation	**1,340,195**	**(27,500)**	**5,000**	**(32,500)**	**1,312,695**
Naval Reactors					
Naval reactors development					
Operation and maintenance	724,600	0			724,600
Construction:					
03-D-201 Cleanroom technology facility	300	0			300
01-D-200 Major office replacement building, Schenectady, NY	0	0			0
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID	18,300	0			18,300
Total, Construction	18,600	0	0	0	18,600
Total, Naval reactors development	743,200	0	0	0	743,200
Program direction	25,200	0			25,200
Total, Naval Reactors	**768,400**	**0**	**0**	**0**	**768,400**
Office Of The Administrator					
Office of the Administrator	347,980	0			347,980

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Defense nuclear nonproliferation	0	0			0
Total, Office of the Administrator	347,980	0			347,980
Total, National Nuclear Security Administration	**8,834,575**	**(12,500)**	**72,000**	**(84,500)**	**8,822,075**
Defense Environmental Restoration & Waste Management					
Site/project completion					
Operation and maintenance	0	0			0
Construction:					
03-D-414 Preliminary project engineering and design (PE&D), Aiken, SC					
02-D-402 Intec cathodic protection system expansion project, INEEL, Idaho Falls, ID	0	0			0
02-D-420 Plutonium packaging and stabilization, Savannah River, SC	0	0			0
01-D-414 Preliminary project, engineering anddesign (PE&D), various locations	0	0			0
99-D-402 Tank farm support services, F&H area, Savannah River Site, Aiken, SC	0	0			0
99-D-404 Health physics instrumentation laboratory, INEL, ID	0	0			0
98-D-453 Plutonium stabilization and handling system for PFP, Richland, WA	0	0			0
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken, SC	0	0			0
92-D-140 F&H canyon exhaust upgrades, Savannah River, SC	0	0			0
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA	0	0			0
Total, Construction	0	0	0	0	0
Total, Site/project completion	0	0	0	0	0
Post 2006 completion					
Operation and maintenance	0	0			0
Uranium enrichment D&D fund contribution	0	0			0
Construction:					
93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC	0	0			0
Office of river protection					
Operation and maintenance	0	0			0
Construction:					
03-D-403 Immobilized high-level waste interim storage facility, Richland, WA	0	0			0

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS
(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
01-D-416 Tank waste remediation system, RL	0	0			0
97-D-402 Tank farm restoration and safe operations, Richland, WA	0	0			0
94-D-407 Initial tank retrieval systems, Richland, WA	0	0			0
Total, Construction	0	0	0	0	0
Total, Office of river protection	0	0	0	0	0
Total, Post 2006 completion	0	0	0	0	0
Science and technology	0	0			0
Excess facilities	0	0			0
Multi-Site activities	0	0			0
Safeguards and security	0	0			0
Program direction	0	0			0
Subtotal, Defense environmental restoration and waste management	0	0	0	0	0
Adjustments:					
Use of prior year balances	0	0			0
Less security charge for reimbursable work	0	0			0
Total, Adjustments	0	0	0	0	0
Total, Defense Environmental Restoration And Waste Management	**0**	**0**	**0**	**0**	**0**
Environmental Management Cleanup Reform					
Environmental management cleanup reform	**0**	**0**			0
Defense Site Acceleration Completion *(was Defense Facilities Closure Projects)*					
2006 Accelerated completions	1,245,171	9,500	9,500		1,254,671
2012 Accelerated Completions					
Operation and maintenance	1,512,554	0			1,512,554
Construction:					

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
04-D-414 Project engineering and design, various locations	23,500	0			23,500
04-D-423 3013 container surveillance capability in 235-F, SR	1,134	0			1,134
02-D-402 Cathodic protection system expansion, ID	1,126	0			1,126
01-D-416 Waste treatment and immobilization plant, RL	690,000	0			690,000
Total, Construction	715,760	0	0	0	715,760
Total, 2012 Accelerated Completions	2,228,314	0	0	0	2,228,314
2035 Accelerated Completions					
Operation and maintenance	1,892,884	0			1,892,884
Construction:					
04-D-408 Glass waste storage building #2, SR	20,259	0			20,259
03-D-403 Immobilized HLW interim storage facility, RL	13,954	0			13,954
03-D-414 Project engineering and design, various locations	51,500	0			51,500
Total, Construction	85,713	0	0	0	85,713
Total, 2035 Accelerated Completions	1,978,597	0	0	0	1,978,597
Safeguards and security	299,977	0			299,977
Technology development and deployment	63,920	0			63,920
Site closure	0	0			0
Safeguards and security	0	0			0
Subtotal, Defense Site Acceleration Completion	5,815,979	9,500	9,500	0	5,825,479
Less security charge for reimbursable work	(1,344)	0			(1,344)
Total, Defense Site Acceleration Completion	**5,814,635**	**9,500**	**9,500**	**0**	**5,824,135**
Defense Environmental Services					
(was Defense Environmental Management Privatization)					
Community and regulatory support	61,337	0			61,337
Federal contribution to the uranium enrichment	452,000	0			452,000
Non-closure environmental activities					
Operation and maintenance	189,698	0			189,698

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Program direction	292,144	0			292,144
Privatization initiatives, various locations	0	0			0
Subtotal, Defense Environmental Services	995,179	0	0	0	995,179
Use of prior year balances	0	0			0
Total, Defense Environmental Services	**995,179**	**0**	**0**	**0**	**995,179**
Other Defense Activities					
Energy security and assurance					
Energy security	0	0			0
Program direction	4,272	(1,000)		(1,000)	3,272
Total, Energy security and assurance	4,272	(1,000)	0	(1,000)	3,272
Office of Security					
Nuclear safeguards and security	104,713	0			104,713
Security investigations	54,554	0			54,554
Program direction	52,490	0			52,490
Chief information officer					
Corporate management information program	0	0			0
Total, Office of Security	211,757	0	0	0	211,757
Intelligence	39,823	5,000	5,000		44,823
Counterintelligence	45,955	0			45,955
Advanced accelerator applications	0	0			0
Independent oversight and performance assurance	22,575	0			22,575
Environment, safety & health					
Environment, safety and health (defense)	87,276	0			87,276
Program direction	20,410	0			20,410
Total, Environment, safety and health	107,686	0	0	0	107,686

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Worker and community transition					
Worker and community transition	12,321				12,321
Program direction	2,679	(1,000)		(1,000)	1,679
Total, Worker and community transition	15,000	(1,000)	0	(1,000)	14,000
Office of Legacy Management					
Office of Legacy Management (050)	19,178	0			19,178
National security programs administrative support	25,000	0			25,000
Office of hearings and appeals	3,797	0			3,797
Subtotal, Other defense activities	495,043	3,000	5,000	(2,000)	498,043
Adjustments:					
Use of prior year balances	0	0			0
Less security charge for reimbursable work (SO)	(712)	0			(712)
Total, Adjustments	(712)	0			(712)
Total, Other Defense Activities	**494,331**	**3,000**	**5,000**	**(2,000)**	**497,331**
Defense Nuclear Waste Disposal					
Defense nuclear waste disposal	**430,000**	**0**			**430,000**
Total, Environmental and Other Defense Activities	**7,734,145**	**12,500**	**14,500**	**(2,000)**	**7,746,645**
Cerro Grande fire activities		0			0
TOTAL, Atomic Energy Defense Activities	***16,679,193***	***0***	***86,500***	***(86,500)***	***16,679,193***

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Atomic Energy Defense Activities (053)					
Energy Programs					
Energy supply	110,473	0	0	0	110,473
National Nuclear Security Administration:					
Weapons activities	6,378,000	15,000	67,000	(52,000)	6,393,000
Defense nuclear nonproliferation	1,340,195	(27,500)	5,000	(32,500)	1,312,695
Naval reactors	768,400	0	0	0	768,400
Office of the administrator	347,980	0	0	0	347,980
Total, National Nuclear Security Administration	8,834,575	(12,500)	72,000	(84,500)	8,822,075
Environmental and other defense activities:					
Defense environmental restoration & waste management	0	0	0	0	0
Defense environmental cleanup reform	0	0	0	0	0
Defense site acceleration completion	5,814,635	9,500	9,500	0	5,824,135
Defense environmental services	995,179	0	0	0	995,179
Other defense activities	494,331	3,000	5,000	(2,000)	497,331
Defense nuclear waste disposal	430,000	0	0	0	430,000
Total, Environmental & other defense activities	7,734,145	12,500	14,500	(2,000)	7,746,645
Cerro Grande fire activities	0	0	0	0	0
Total Department of Energy	**16,679,193**	**0**	**86,500**	**(86,500)**	**16,679,193**
Defense Nuclear Facilities Safety Board	19,559				19,559
Total, Atomic Energy Defense Activities	**16,698,752**				**16,698,752**

ITEMS OF SPECIAL INTEREST

NATIONAL NUCLEAR SECURITY ADMINISTRATION

Overview

The budget request contained $8,834.6 million for the National Nuclear Security Administration for fiscal year 2004. The committee recommends $8,822.1 million, representing an increase of $783.6 million from the amount authorized for fiscal year 2003.

Adjustments to the Budget Request

Reductions

The budget request contained $66.0 million for the Advanced Radiography campaign. The committee recommends $61.0 million, a decrease of $5.0 million. The committee notes a substantial increase in the request for advanced radiography requirements and technology development, including requirements studies for an Advanced Hydrotest Facility. The committee understands that the Dual-Axis Radiographic Hydrotest facility is critical to high priority stockpile life extension efforts, particularly plutonium pit certification. The committee urges the National Nuclear Security Administration to focus on delivering the radiographic tools essential to its nearer term production requirements.

The budget request contained $466.8 million for the Inertial Confinement Fusion Ignition and High Yield campaign. The committee recommends $461.8 million, a decrease of $5.0 million. The committee notes the more than 100 percent growth in the request for experimental support technologies for development of National Ignition Facility diagnostics and target fabrication capabilities. The committee believes this area has been underemphasized in the past, but questions effective executability of the increase. The committee cautions that these funds should be used for their stated purpose.

The budget request for operations of facilities in Readiness in the Technical Base and Facilities (RTBF) contained $37.0 million for "other sites", a more than four fold increase over the comparable fiscal year 2003 request. The committee does not believe the request has been adequately justified, and recommends $17.0 million, a decrease of $20.0 million.

The budget request contained $50.0 million in RTBF to begin construction of a national security sciences building at Los Alamos National Laboratory (project 04–D–104). This is a construction new start that has not previously been authorized by the committee. The committee is aware that this project received an advance appropriation in fiscal year 2003 of $12.0 million, and accordingly recommends $38.0 million for the project, a decrease of $12.0 million.

The operations and maintenance budget request for Safeguards and Security contains $8.0 million to initiate a physical security research and development program, and $2.0 million to initiate a similar cybersecurity effort. The committee views Safeguards and Security as an important but supporting element to the defense nuclear complex, which already spends billions of dollars annually on research and development. The committee further notes that the proposed activities would be largely duplicative of the technology

and systems development program, for which the Department of Energy has requested $20.9 million within Safeguards and Security under other defense activities. The committee recommends no funding for these initiatives.

The international safeguards budget request within the Nonproliferation and International Security program contained $15.7 million for International Atomic Energy Agency (IAEA) safeguards and nonproliferation policy support, an increase of $5.8 million from the comparable fiscal year 2003 request, and 6.0 million for nuclear noncompliance verification. The committee believes that greater attention is required to specific proliferant states, such as North Korea, rather than to strengthening safeguards more globally. Consequently, the committee recommends $10.7 million for IAEA safeguards and nonproliferation policy support, a decrease of $5.0 million, and $11.0 million for nuclear noncompliance verification, an increase of $5.0 million.

The budget request contained $14.1 million for International Nuclear Safety and Cooperation. The committee recommends $11.6 million, a decrease of $2.5 million. The committee notes that this program was originally established to address safety deficiencies in Soviet-designed nuclear reactors in states of the former Soviet Union. This effort is now complete, and the committee believes that international cooperation on nuclear safety, specifically in China and elsewhere in Asia, is more appropriately addressed by other federal departments and international agencies using non-defense funding.

The budget request contained $30.0 million for Accelerated Material Disposition (AMD). The committee recommends $5.0 million, a reduction of $25.0 million. The committee questions the cost effectiveness of the proposed program and suggests that NNSA rethink its approach. Under existing agreements between the United States and the Russian Federation, most notably the 1993 Highly Enriched Uranium (HEU) Purchase Agreement, the United States Enrichment Corporation will purchase low enriched uranium (LEU) down-blended from 500 metric tons of Russian weapon source HEU for resale as commercial nuclear reactor fuel. Currently, approximately 30 metric tons of HEU is down-blended per year, and the process is monitored under the HEU Transparency Implementation program at a cost to the taxpayer of $18.0 million for fiscal year 2004. The proposed AMD program would increase the present blend-down rate by 1 to 1½ metric tons per year, at best an increase of five percent, at a cost of $25.0 million per year, more than the total cost of the existing program. The committee notes that reaching NNSA's goal of doubling the blend down rate to 60 metric tons of HEU per year would cost approximately $600 million per year by this approach.

The committee also questions NNSA's priorities in requesting additional funds under the Reduced Enrichment for Research and Test Reactors program to accelerate development of LEU fuel for five HEU-fueled research reactors in the United States. The committee considers foreign HEU-fueled research reactors to pose a more significant proliferation threat. The committee notes that the list of potential nonproliferation efforts worthy of some consideration is practically endless, while resources are not. The committee advises NNSA in the strongest terms to develop a strategy for ana-

lyzing the full spectrum of proliferation risks, and a process for assessing the cost versus the benefit of programs proposed to mitigate those risks.

Increases

The committee remains concerned about the ability of an aging defense nuclear complex infrastructure to meet increasing requirements associated with four ongoing stockpile life extension programs. The problem is especially acute in the production plants. The committee understands that many years of sustained funding will be required to reduce maintenance backlogs and re-capitalize the complex. The committee makes a number of recommendations. The committee recommends $295.1 million for production support within Directed Stockpile Work, an increase of $17 million to replace aging manufacturing process equipment and support systems at Y–12. The committee recommends $57.2 million for the Stockpile Readiness campaign, an increase of $2.0 million for critical processing, machining, and inspection equipment required for future directed stockpile work at Y–12. The committee recommends a net increase of $16.3 million to operations of facilities within RTBF for a total of $989.1 million, which includes an additional $7.0 million for facilities maintenance and legacy material stewardship at Y–12, an additional $14.3 million for plant maintenance at Pantex, and an additional $15.0 million for plant projects and capital equipment at Pantex.

The budget request contained $582.1 million for Safeguards and Security operations and maintenance. The committee recommends $583.8 million, a net increase of $1.7 million. The committee provides additional funds of $11.7 million for security enhancements at the Lawrence Livermore National Laboratory, including physical security upgrades to facilities for handling and storing special nuclear materials, cyber-security improvements, and security systems maintenance and replacement.

Advanced Weapons Concepts

The committee notes that the National Nuclear Security Administration (NNSA) has requested $21.0 million to explore advanced weapons concepts, including $15.0 million to continue feasibility and cost studies for the Robust Nuclear Earth Penetrator, and $6.0 million ($2.0 million per design laboratory) for other concept definition studies. The committee further notes that the budget request for these efforts is less than half of one percent of the total request of $6.4 billion for Weapons Activities, a small research and development investment by most standards. The committee believes that NNSA should consider more significant future investment in these activities.

The committee believes that advanced concepts studies serve a number of important purposes. First, the weapons laboratories are the repository for certain skills critical to national security, and although NNSA executes a wide range of technically challenging and sophisticated weapons related activities, there is still no substitute for actually exercising the design process. Second, most weapons designers with real test experience have retired or are eligible for retirement, and there is a time critical requirement for the next generation of scientists and engineers to gain proficiency under the

tutelage of those remaining. Third, nuclear weapons in the hands of potential adversaries pose a grave and proliferating threat to the security of the United States, and in order to avoid technical surprise, NNSA must understand the "art of the possible". Finally, the present Cold War stockpile may not meet future technical requirements for a credible strategic deterrent.

While mindful of proliferation concerns, the committee does not believe that artificial and arbitrary constraints on what weapons designers may or may not consider serve the best interests of the nation. Accordingly, section 3111 would repeal the statutory prohibition on low yield weapon development under section 3136 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160). The committee observes that before any advanced concept enters engineering development (phase 3/6.3), and prototype hardware is fabricated, NNSA requires the formal approval of the Nuclear Weapons Council and a budget authorization from Congress. Regardless of the outcome of legislative action on section 3111, the committee is unaware of restrictions on design work related to weapons with yields in excess of five kilotons, and accordingly recommends that NNSA proceed with its advanced concepts initiative forthwith.

Coordination of Nonproliferation and Threat Reduction Programs

The committee notes that a number of federal departments (primarily the Departments of Defense, Energy, and State) fund and participate in threat reduction and nonproliferation programs. The committee remains concerned about the coordination between these programs. The committee understands that many if not most of these efforts are based on historical relationships and access agreements. The committee observes that merely de-conflicting activities is not equivalent to development of an effective, efficient, integrated program with well defined departmental roles and responsibilities. The committee suggests that the administration designate a lead department, and urges realignment of these efforts according to distinct assigned departmental mission areas.

Management of Stockpile Life Extension Programs

The committee remains concerned that stockpile life extension programs (SLEPs) for the B61, W76, W80, and W87 continue to be managed as loosely coordinated "level-of-effort" activities spread across the defense nuclear complex. Such an approach is more appropriate to research and development than to a production effort with a well defined quantity, schedule, and scope of work. The committee strongly recommends that the SLEPs be "projectized" under strong leadership, and with cost, schedule and performance milestones against which progress can be measured.

The committee report on H.R. 5431, the Energy and Water Development Appropriations Act, 2003 (H. Rept. 107–681) directs the National Nuclear Security Administration (NNSA) to prepare Selected Acquisition Reports (SARs) for each SLEP. The committee believes that such planning and budgeting by warhead type will bring some needed discipline to the refurbishment process, and can help form the basis for "projectizing" these efforts. The committee notes that NNSA submitted classified SARs with the fiscal year

2004 budget request, but that those reports are of a transitional nature. The committee urges NNSA to commit to this approach in a timely and prudent manner.

NNSA Management Structure

Reform of the Department of Energy's organizational structure for managing the defense nuclear complex was of particular interest to Congress when it passed title XXXII of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65), also known as the National Nuclear Security Administration (NNSA) Act. Section 3153 of the National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) required the NNSA Administrator to submit to the Armed Services Committees a plan for assigning roles and responsibilities among headquarters and field elements. The Administrator submitted an interim plan on May 3, 2001 broadly outlining plans for a reorganization of headquarters elements, and provided a plan for reorganization of field elements on February 25, 2002. On December 17, 2002, the Acting Administrator announced implementation guidance for the reorganization, which is expected to be complete by the end of fiscal year 2004 and to eliminate one layer of management. Noting that it has now been over three years since NNSA was formally established, the committee remains concerned that the slow pace continues to prejudice the process against success, but believes that the intended reorganization could provide for more efficient, effective, and accountable management of the complex. The committee encourages NNSA to follow through.

Support for Los Alamos Public Schools

As in previous years, the budget request includes $8.0 million for support of public schools in the vicinity of Los Alamos National Laboratory. The Los Alamos school system is the only one that continues to receive annual assistance from the Department of Energy. Such annual payments ceased at other previously government-owned communities years ago, specifically in 1970 in the case of Richland, Washington, and in 1985 in the case of Oak Ridge, Tennessee. In a May 2002 report submitted to the congressional defense committees pursuant to section 3136 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), the Secretary of Energy recommended the continuation of annual assistance for another ten years, essentially indefinitely.

The historical record of efforts to achieve self-sufficiency in the Los Alamos public school system and those of surrounding communities includes buy-out proposals, multi-year assistance plans, and endowment by the Department of a not-for-profit educational enrichment foundation. The committee recognizes some of the unique considerations specific to Los Alamos, but has been, and continues to be, disappointed in progress by all parties toward development of a viable exit strategy for the Department. While fully appreciating the recruitment value to the laboratory of an excellent school system, the committee is also sensitive to the fact that, according to recent census data, Los Alamos County already has the fifth highest median household income in the United States.

Test Readiness

The committee believes the current lead time of nearly three years for resumption of underground nuclear tests does not present a realistic option should the President determine that such tests are necessary. The committee notes the budget request includes $24.9 million for test readiness, $7.0 million above the fiscal year 2003 request, and that the National Nuclear Security Administration intends to move toward an 18 month test readiness posture. The committee observes that test readiness is of special interest to Congress, and section 3142 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314) requires the Secretary of Energy to assess and report to Congress on test readiness options ranging from 6 to 24 months. Section 3142 required submission of that report with the fiscal year 2004 budget request. The report is now overdue, and the committee expects a full explanation of the basis for any final decisions regarding options for enhanced test readiness.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

Overview

The budget request contained $7,734.1 million for environmental and other defense activities. The committee recommends $7,746.6 million, representing an increase of $209.1 million from the amount authorized for fiscal year 2003.

Adjustments to the Budget Request

Reductions

The budget request contained $15.0 million for the Office of Worker and Community Transition. The committee recommends $14.0 million, a reduction of $1.0 million. The committee notes that the request for programmatic funds drops 46 percent from fiscal year 2003, while program direction remains level. The committee recommends a proportional decrease to program direction.

The budget request contained $4.3 million for the Office of Energy Security and Assurance. The committee recommends $3.3 million, a reduction of $1.0 million. Many of the Department of Energy's energy security and assurance functions move to the new Department of Homeland Security. The committee observes that the number of full time equivalent employees is expected to drop from 22 to 8 in fiscal year 2004, while the request for program direction remains the same as that for fiscal year 2003. The committee recommends a proportional decrease.

Increases

The budget request contained $1.2 billion for 2006 Accelerated Completions within Defense Site Acceleration Completion. The committee recommends an increase of $9.5 million to accelerate environmental restoration and waste management activities at Lawrence Livermore National Laboratory (LLNL), as well as the transfer of newly generated waste operations responsibility from the Office of Environmental Management to the National Nuclear Security Administration (NNSA). The committee understands that the

Department of Energy has developed a Performance Management Plan and signed a Letter of Intent with state and federal regulatory agencies to support completion of legacy waste disposal and remediation activities at LLNL by 2006. The committee believes that assumption by NNSA of responsibility for management of the waste stream from ongoing operations at this site will lead to more judicious generation of that waste.

The budget request contained $39.8 million in other defense activities for Department of Energy Intelligence activities. The committee recommends $44.8 million, an increase of $5.0 million, to match fiscal year 2003 funding. The committee urges the Department to maintain the current level of effort particularly in the area of technical nuclear intelligence related to proliferation of weapons of mass destruction.

Cleanup Acceleration

The Department of Energy's environmental management (EM) program is responsible for the cleanup of contamination at 114 sites resulting from more than 50 years of research, development, production, and testing of nuclear weapons. In February 2002, the Department completed the "Top-to-Bottom Review" of EM programs directed by the Secretary of Energy. The review found that the EM program emphasized ". . . managing risk rather than actually reducing risk to workers, the public, and the environment".

In the current fiscal year the Department has begun a comprehensive restructuring of the cleanup program. The process includes signing "Letters of Intent" with state and federal regulatory authorities, and the development of Performance Management Plans for each site to detail strategies, milestones and commitments supporting accelerated cleanup. The Department intends to complete revised site project baselines during the current fiscal year based on these Performance Management Plans. The Department projects that for three of the most heavily contaminated sites—Savannah River Site, Idaho National Engineering and Environmental Laboratory, and Hanford—cleanup completion can be accelerated by 20, 35, and 35 years, respectively, and expects to complete all work by 2035.

The committee supports the Department's aggressive schedule to reduce risk to the public and the environment. The committee believes that by moving quickly, where feasible, to reduce the footprint of contaminated sites, substantial cost savings can be realized in the long term.

ENERGY SUPPLY

The budget request contained $110.5 million for Energy Supply. In fiscal year 2004, Energy Supply is proposed as a multi-function account split between defense (050) and energy (270) functions. Landlord responsibilities for the Idaho National Engineering and Environmental Laboratory (INEEL) have passed from the Office of Environmental Management (EM) to the Office of Nuclear Energy, Science, and Technology (NE). The defense funding requested in this account supports continuing national security activities at INEEL. The committee recommends the budget request.

LEGISLATIVE PROVISIONS

SUBTITLE A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

Section 3101—National Nuclear Security Administration

This section would authorize funds for the National Nuclear Security Administration for fiscal year 2004, including funds for weapons activities, defense nuclear nonproliferation programs, naval reactor programs, and the Office of the Administrator.

Section 3102—Defense Environmental Management

This section would authorize funds for defense environmental management activities for fiscal year 2004, including funds for defense site acceleration completion and defense environmental services.

Section 3103—Other Defense Activities

This section would authorize funds for other defense activities for fiscal year 2004.

Section 3104—Defense Nuclear Waste Disposal

This section would authorize funds for defense nuclear waste disposal for fiscal year 2004.

Section 3105—Energy Supply

This section would authorize funds for defense energy supply programs for fiscal year 2004.

SUBTITLE B—PROGRAM AUTHORIZATIONS, RESTRICTIONS, AND LIMITATIONS

Section 3111—Modification of Prohibition Relating to Low-Yield Nuclear Weapons

This section would amend section 3136 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160). The amendment would maintain the prohibition on development of new nuclear weapons with yields less than five kilotons, but would allow research on such weapons, including concept definition studies, feasibility studies, and detailed engineering design. The amendment would allow development for the purpose of assessing low- yield nuclear weapons development by other nations that may pose a national security risk to the United States.

Section 3112—Termination of Requirement for Annual Updates of Long-Term Plan for Nuclear Weapons Stockpile Life Extension Program

This section would terminate certain annual reporting requirements related to stockpile life extension programs, effective December 31, 2004. The National Nuclear Security Administration (NNSA) submitted with the budget request preliminary Selected Acquisition Reports (SAR) for its stockpile life extension programs. The committee understands that NNSA intends to fully commit to the stockpile life extension SARs in fiscal year 2005. Provided that

they show sufficient fidelity, the committee believes that the SARs will provide an appropriate and sufficient substitute for the current reporting requirement.

Section 3113—Extension to All DOE Facilities of Authority to Prohibit Dissemination of Certain Unclassified Information

This section would amend section 148 of the Atomic Energy Act of 1954 (Public Law 83–703) to expand the range of situations under which the Department of Energy could treat information as sensitive unclassified nuclear information, and consequently limit its dissemination.

Section 3114—Department of Energy Project Review Groups Not Subject to Federal Advisory Committee Act by Reason of Inclusion of Employees of Department of Energy Management and Operating Contractors

This section would allow an officer or employee of a management and operating (M&O) contractor of the Department of Energy, when serving on an advisory committee or review group for the Department on matters related to the Department's M&O contracts, to be treated as an officer or employee of the Department for the purposes of determining whether the group is an advisory committee within the meaning of the Federal Advisory Committee Act (5 United States Code App.).

Section 3115—Availability of Funds

This section would amend the Atomic Energy Defense Act (title XXXVI of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314)) by limiting the availability for obligation to three years for funds authorized to be appropriated to the National Nuclear Security Administration (NNSA) for operation and maintenance or for plant projects. The limitation is consistent with the NNSA Act (title XXXII of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65)), which requires planning, programming and budgeting using funds that are available for obligation for a limited number of years. The section would not amend the one year limitation on the availability of funds for obligation for an appropriation pursuant to a Department of Energy national security authorization for program direction.

Section 3116—Limitation on Obligation of Funds for Nuclear Test Readiness Program

This section would prohibit the obligation of more than 40 percent of funds available to the Secretary of Energy in fiscal year 2004 for the nuclear test readiness program until the Secretary submits the report on test readiness posture options required by subsection 3142(c) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314).

Section 3117—Requirement for On-Site Managers

This section would require the Secretary of Energy to appoint a federal employee as an on-site manager before obligation of funds for any defense nuclear nonproliferation program that involves dis-

mantlement, destruction, or storage facilities, or construction of a facility, and that is executed in a state of the former Soviet Union, if the total contribution by the Department of Energy is expected to exceed $25.0 million. The duties of the on-site manager would include development, in cooperation with participating countries, of a list of steps or activities critical to achieving the project's disarmament or nonproliferation goals, and a schedule for completing those steps or activities. The steps and activities would include acquisition of necessary permits, verification of materials, and provision of resources. The on-site manager would have the authority to suspend United States participation in a project if a non-United States participant fails to complete a scheduled activity on time. The Secretary could direct resumption of United States participation in a suspended project with concurrent notification to Congress.

SUBTITLE C—CONSOLIDATION OF NATIONAL SECURITY PROVISIONS

Section 3121—Consolidation and Assembly of Recurring and General Provisions on Department of Energy National Security Programs

The section would assemble together under the Atomic Energy Defense Act (title XXXVI of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314)), without substantive amendment but with technical and conforming amendments, recurring and general provisions of law on Department of Energy national security programs that remain in force. The transfer of a provision of law under this section should not be construed as amending, altering, or otherwise modifying the substantive effect of that provision. The provisions of the Atomic Energy Defense Act, as amended by this section, would be classified to a new chapter of title 50, United States Code.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

LEGISLATIVE PROVISIONS

Section 3201—Authorization

This section would authorize $19.6 million for the Defense Nuclear Facilities Safety Board for fiscal year 2004.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS

Section 3301—Authorized Uses of National Defense Stockpile Funds

This section would authorize $69.7 million from the National Defense Stockpile Transaction Fund for the operation and maintenance of the National Defense Stockpile for fiscal year 2004. The provision would also permit the use of additional funds for extraor-

dinary or emergency conditions 45 days after a notification to Congress.

Section 3302—Revisions to Objectives for Receipts for Fiscal Year 2000 Disposals

This section would authorize increased sales of stockpile materials through the end of fiscal year 2009.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

LEGISLATIVE PROVISIONS

Section 3401—Authorization of Appropriations

This section would authorize $16.5 million for fiscal year 2004 for the operation and maintenance of the Naval Petroleum and Oil Shale Reserves.

TITLE XXXV—MARITIME ADMINISTRATION

ITEMS OF SPECIAL INTEREST

Authorization of Maritime Security Program

The committee conducted a series of hearings during the 107th Congress to examine the operation of the current Maritime Security program as enacted by the 104th Congress in Public Law 104–239. Those hearings examined not only the ability of the current program to meet the sealift requirements of the Department of Defense (DOD), but also the various changes that had occurred in the commercial marketplace since the enactment in 1996. In the 1995 and 1996 time frame, the makeup of the maritime security fleet was one that was largely owned and operated by U.S. citizen companies. Over the span of the next several years, the two largest U.S. flag vessel operators were purchased by foreign corporations. Indeed, of the 10 maritime security program (MSP) contractors now participating in the program, only five still meet the original "section 2" citizenship or documentation/defense contractor requirements for award of a contract under the first priority as set forth in the Maritime Security Act of 1996 (Public Law 104–239). None of the remaining five "section 2" citizen operators, which collectively hold 33 of the 47 current agreements, were even in existence in 1995.

While the transition, at least from a commercial standpoint, appears to have worked reasonably well, concern was expressed by a number of witnesses over the reliability of these foreign controlled carriers to respond to DOD sealift requirements. These same concerns were not expressed by either the Maritime Administration or the United States Transportation Command. However, the committee, in drafting a new maritime security program, has attempted to add mechanisms that will, to the maximum extent possible, improve the likelihood that existing MSP contractors will be responsive to DOD requirements, and at the same time grant "section 2" citizen owners and operators priority in the award of new contracts.

To meet DOD requirements for a better "mix" of ships in the program, the committee is establishing a new program for the construction of five new, U.S. built product tankers that will be capable of carrying jet fuel during a conflict. The committee notes that the Military Sealift Command chartered 26 product tankers for Operation Enduring Freedom and Operation Iraqi Freedom. Only one of these tankers was documented under the U.S. flag, the remaining 25 were foreign flag with foreign crews. While the committee recognizes that these five ships will only partially begin to fill the expected void in available tankers, the committee intends to consider expanding this program if it produces the desired results in a cost effective manner. "Section 2" citizens are given a priority for award of financial assistance to construct these vessels as well as a priority for the award of an operating agreement.

The committee has also provided DOD with greater flexibility in selecting vessels to meet its changing sealift needs. The committee has increased the number of available MSP contracts from 47 to 60. It is the committee's intention that these additional contracts be used to address DOD shortfalls in vessel type and capacity. In addition, the Secretary of Defense can waive age requirements to allow a specific vessel, which is otherwise eligible, to obtain an operating agreement. For instance, it is apparent at this point in time, that additional roll-on/roll-off vessels and lighter aboard ships (LASH) as well as product tankers are required. Under the new legislative formulation, the Secretary of Defense is also granted the authority to reject a vessel that is not required under the contingency plans. It is contemplated that this authority will most likely be used as older vessels are phased out of the program. A vessel operator will be given the opportunity to offer an acceptable vessel, but if the vessel operator fails to do so, the "slot" reverts to the open pool and is available to other eligible companies. Slots that are not filled either because a vessel owner or operator fails to offer a ship that is acceptable to DOD, or if a current owner or operator simply chooses not to participate in the new program, revert to the open pool. The committee intends this selection process to be conducted in a reasonably short time frame. These and other provisions are designed to make the new program more responsive to DOD requirements and to inject a greater degree of U.S. citizen participation in the program.

Finally, the committee looked closely at funding for the new program as well as the start up date for the new program. To avoid disruption of current business relationships, the new program does not begin until October 1, 2005. The committee does however provide an earlier effective date only for the purpose of issuing regulations and allowing application process to begin. As noted above, the committee increases the number of available contracts which results in additional costs. Additional funding is also required to support the national defense tanker construction program. While many in the industry also suggested that the initial MSP payment should be greater than the $2.6 million proposed in section 3515 of the new act, the committee believes that additional increases should be phased in over the next several years and should be increased as the administration has additional time to assess its sealift requirements, including the need to address critical and anticipated U.S. citizen mariner shortfalls. Thus, the committee authorizes $2.6 mil-

lion per ship for fiscal years 2006 and 2007 and requires the Department of Transportation, in consultation with the Department of Defense to seek additional appropriations in the out-years based on the operational requirements noted above. The committee believes this is a more reasonable approach than simply including a cost of living formula that may or may not be sufficient to meet the operational requirements over the next ten years.

Obsolete Vessel Disposal

The budget request contained $11.4 million for the disposal of obsolete vessels from the National Defense Reserve Fleet. The committee recommends $20.0 million, an increase of $8.6 million above the budget request. The National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) required the Maritime Administration to dispose of all vessels in the National Defense Reserve Fleet that are not otherwise assigned to the Ready Reserve Fleet or otherwise designated for a specific purpose by September 30, 2006. Section 3102 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314), established a program to assist states in the reefing of obsolete ships. In that same section, a pilot program was established to allow for the environmentally safe transfer of obsolete vessels to sites outside the United States for disposal. Further, Section 3504 of that same act states that the establishment of these programs does not constitute a preference for the reefing or export of obsolete vessels over other means, such as domestic scrapping. The Maritime Administration has three possible routes for disposal of obsolete vessels and the committee expects the agency to move aggressively to reach the above noted deadlines.

The committee reiterates its support for this position and recognizes that domestic scrapping may be the most competitive and appropriate course of action. The committee expresses its disappointment that the Maritime Administration has not yet obligated the funds appropriated for disposal activities in the last fiscal year, and, while several projects both within and outside the United States are in the final stages of negotiation, only 14 vessels have been scrapped over the last two years. The committee understands that approximately $30 million remains available. This is in addition to the $20.0 million that the committee recommends for this fiscal year. The committee remains concerned that any further delays could result in harm to the marine environment and a potentially more expensive disposal.

With respect to the domestic disposal of obsolete vessels, the committee understands that the Maritime Administration has suspended the use of a private integrator for the management of ship scrapping projects in favor of managing these projects directly. The committee believes that the use of a domestic, private-sector integrator with experience in management of ship scrapping projects for the U.S. government can facilitate the efficient and environmentally sound disposal of these vessels, and in the long term can result in cost savings to the Maritime Administration. The committee directs the Maritime Administration, to the maximum extent possible, to outsource to domestic integrators the management of ship scrapping projects, including: procurement, project over-

sight, environmental and worker safety compliance monitoring, and quality control.

The Congress has provided the Department of Transportation with substantial resources to assure these ships are disposed of quickly and safely. The committee urges the Maritime Administration to make progress quickly in meeting this objective. If it does not do so, the committee will consider taking additional steps to ensure this outcome.

The committee directs the Maritime Administrator to submit a report to Congressional Defense Committees by November 1, 2003 on any specific financial and contractual details of foreign contracts for ship scrapping.

Merchant Mariner Training to Meet Sealift Requirements

Section 1301 of title XIII of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295) declares that it is the policy of the United States that "merchant marine vessels of the United States should be operated by highly trained and efficient citizens of the United States. . ." In furtherance of that policy, the Secretary of Transportation is authorized to take the steps necessary to provide for the education and training of citizens of the United States who are capable of providing for the safe and efficient operation of the merchant marine of the United States at all times and as a naval and military auxiliary in time of war or national emergency. Recent events in the world required the United States to activate over 50 government owned U.S. flag ships that were part of the Ready Reserve Force and the Military Sealift Command Fleet. These ships were crewed by very capable and well trained merchant mariners drawn from the commercial mariner pool. By all accounts, these mariners performed exceptionally well and the United States was able to activate these ships with virtually no problems. However, the committee is concerned that the number of U.S. citizen mariners available for activations of this type will drop dramatically over the next few years. The committee is concerned that additional steps may need to be taken to ensure that the United States has the well qualified mariners, both licensed and unlicensed it needs to crew not only its merchant ships but also the auxiliary ships. The committee is also concerned that we present the young mariners entering the profession with additional training opportunities prior to licensing. In view of these concerns and the potential for serious shortages of trained mariners in the near future, the committee directs the Secretary of Transportation to prepare an assessment that will address the following matters:

(1) The adequacy of current training opportunities available for licensed and unlicensed mariners.

(2) The ability of student mariners to obtain the time at sea to qualify for licensing or documentation.

(3) The number of trained and qualified mariners available to serve on reserve vessels in time of war or national emergency.

(4) An assessment of the number of qualified mariners projected to be available over the next five years.

(5) Any proposals for legislation or administrative steps that the Secretary considers necessary to ensure that the United States maintains an adequate number of capable and well-trained mariners to meet its future commercial and auxiliary requirements.

This assessment shall be submitted to the Senate Committee on Commerce, Science and Transportation and to the House Committee on Armed Services not later than November 1, 2003.

LEGISLATIVE PROVISIONS

SUBTITLE A—GENERAL PROVISIONS; MARITIME ADMINISTRATION AUTHORIZATION

Section 3501—Short Title

This section would provide that this title may be cited as the "Maritime Security Act of 2003".

Section 3502—Definitions

This section would provide definitions for terms used in the Maritime Security Act of 2003.

SUBTITLE B—MARITIME SECURITY FLEET

Section 3511—Establishment of Maritime Security Fleet

This section would establish the types of vessels that are generally eligible to be included in the maritime security fleet. Final determination of eligibility is vested in the Secretary of Defense based on suitability for use by the United States for national defense or military purposes. This section would also establish specific requirements regarding citizenship of vessel owners and charterers.

Section 3512—Award of Operating Agreements

This section would establish procedures for applying for an operating agreement under the maritime security program. This section would also establish a priority mechanism for the award of operating agreements under the program based on both citizenship criteria and vessel criteria.

Section 3513—Effectiveness of Operating Agreements

This section would provide authority for the Secretary of Transportation to enter into operating agreements beginning in fiscal year 2006. While the agreements are effective for one year, the agreement is renewable subject to the availability of appropriations for each subsequent fiscal year through the end of fiscal year 2015.

Section 3514—Obligations and Rights under Operating Agreements

This section would provide that vessels operating in this program are to be operated only in the foreign commerce of the United States and may not otherwise be operated in the coastwise trade. Each vessel covered by an operating agreement is to remain documented under chapter 121 of title 46, United States Code, until the date the operating agreement would terminate according to its terms.

Section 3515—Payments

This section would provide that the each vessel covered by an operating agreement shall be paid $2,600,000 for each of fiscal years 2006 and 2007, and such amount for each fiscal year thereafter for which the agreement is in effect as the Secretary, with the concurrence of the Secretary of Defense, considers to be necessary to meet operational requirements.

Section 3516—National Security Requirements

This section would require the Secretary of Transportation to establish an Emergency Preparedness Program that is approved by the Secretary of Defense. The section also requires that each contractor enter into an emergency preparedness agreement under that program. This agreement provides that the respective vessel contractor will make available commercial transportation resources including services upon the request of the Secretary of Defense during time of war, national emergency, or contingency operation as that term is defined in section 101 of title 10, United States Code. The commercial transportation resources include vessels, or capacity in vessels, intermodal systems and equipment, terminal facilities, intermodal and management services, and other related services. This section would also authorize the contractor to substitute foreign flag replacement vessels if its regular service is disrupted as a result of an activation.

Section 3517—Regulatory Relief

This section would provide that a vessel may operate in the foreign commerce of the United States without the restrictions contained in section 901(b)(1) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1241(b)(1)) concerning the building or documentation of a vessel.

Section 3518—Special Rule Regarding Age of Former Participating Fleet Vessel

This section would waive certain age requirements with respect to vessels, provided that they will be replaced by otherwise eligible vessels within a 30 month period after new operating agreements are entered into.

Section 3519—Authorization of Appropriations

This section would provide an authorization of appropriations for operating agreements in the amount of $156 million for each of fiscal years 2006 and 2007, and such sums as may be necessary, based on operational requirements, for each fiscal year thereafter through fiscal year 2015.

Section 3520—Amendment to Shipping Act, 1916

This section would amend section 9 of the Shipping Act, 1916 (46 App. U.S.C. 808) to allow a vessel to be registered under a foreign flag provided that the Secretary of Transportation, with the concurrence of the Secretary of Defense, determines that a replacement

vessel is documented under the U.S. flag and is enrolled in an operating agreement under this program.

Section 3521—Regulations

This section would authorize the Secretary of Transportation and the Secretary of Defense to prescribe permanent and interim rules necessary to carry out the Maritime Security Program.

Section 3522—Repeals and Conforming Amendments

This section would repeal the existing maritime security program, effective October 1, 2005.

Section 3523—Effective Dates

This section would establish dates that specific sections of this act would become effective.

SUBTITLE C—NATIONAL DEFENSE TANK VESSEL CONSTRUCTION ASSISTANCE

Section 3531—National Defense Tank Vessel Construction Program

This section would require the Secretary of Transportation to establish a program to provide financial assistance for the construction in the United States of a fleet of five privately owned tank vessels for enrollment in an emergency preparedness agreement.

Section 3532—Application Procedure

This section would establish procedures to obtain competitive proposals for the construction of new tank vessels to meet the commercial and national security needs of the United States. This section would also require the Secretary to give priority consideration to a proposal submitted by a person that is a citizen of the United States under section 2 of the Shipping Act, 1916 (46 App. U.S.C. 802).

Section 3533—Award of Assistance

This section would allow the Secretary to enter into a contract to provide assistance for the construction of a new tank vessel in the United States in an amount up to 75 percent of the actual construction cost of the vessel, but in no case more than $50 million per vessel. This section also provides that a vessel constructed under this section is not eligible for a certificate of documentation with a coastwise endorsement. A vessel constructed under this section must also enter into an emergency preparedness agreement under this title.

Section 3534—Priority for Title XI Assistance

This section would require the Secretary of Transportation to give priority to guarantees and commitments for new product tank vessels that are otherwise eligible for a guarantee under this section 1103 of the Merchant Marine Act, 1936 (46 App.U.S.C. 1273).

Section 3535—Authorization of Appropriations

This section would authorize appropriations to carry out this subtitle in the amount of $250 million for fiscal years after fiscal year 2004.

SUBTITLE D—MARITIME ADMINISTRATION

Section 3541—Authorization of Appropriations for Maritime Administration for Fiscal Year 2004

This section would authorize a total of $163.9 million for fiscal year 2004, and increase of $43.6 million above the budget request for the Maritime Administration. Of the funds authorized, $104.4 million would be for operations and training programs, $35 million would be for costs as defined in section 502 of the Federal Credit Reform Act of 1990 (Public Law 93–344), of loan guarantees authorized by title XI of the Merchant Marine Act, 1936, as amended, (46 App. United States Code 1271 et seq.), $4.5 million would be for administrative expenses related to providing these loan guarantees, and $20 million would be for the disposal of obsolete ships in the National Defense Reserve Fleet.

Section 3542—Authority To Convey Vessel USS Hoist (ARS–40)

This section would authorize the Secretary of Transportation to convey the vessel USS HOIST to the Last Patrol Museum, located in Toledo, Ohio.

DEPARTMENTAL DATA

The Department of Defense requested legislation, in accordance with the program of the President, as illustrated by the correspondence set out below:

DEPARTMENT OF DEFENSE AUTHORIZATION REQUEST

DEPARTMENT OF DEFENSE,
OFFICE OF GENERAL COUNSEL,
Washington, DC, March 3, 2003.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: The Department of Defense requests that the Congress enact the enclosed National Defense Authorization Bill for Fiscal Year 2004.

The purpose of each legislative proposal included in the Bill is stated in the accompanying section-by-section analysis.

In the coming weeks, the Department will propose a few additional legislative initiatives for inclusion in the same Bill.

The Office of Management and Budget advises that there is no objection, from the standpoint of the Administration's program, to the presentation of this Bill for your consideration and the consideration of the Congress.

Sincerely,

WILLIAM J. HAYNES II, *General Counsel.*

MILITARY TRANSFORMATION AUTHORIZATION REQUEST

DEPARTMENT OF DEFENSE,
OFFICE OF GENERAL COUNSEL,
Washington, DC, April 10, 2003.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: The Department of Defense requests that the Congress enact the enclosed Bill, "The Defense Transformation for the 21st Century Act."

Each section of the Bill is accompanied by an explanatory section-by-section analysis.

The Office of Management and Budget advises that there is no objection, from the standpoint of the Administration's program, to the presentation of this Bill for your consideration and the consideration of the Congress.

Sincerely,

WILLIAM J. HAYNES II, *General Counsel.*

COMMITTEE POSITION

On May 14, 2003 the Committee on Armed Services, a quorum being present, approved H.R. 1588, as amended, by a vote of 58–2.

COMMUNICATIONS FROM OTHER COMMITTEES

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, DC, May 15, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for forwarding a copy of proposed language that would take appropriate action to quiet title tracts of land located in the platted subdivision of Falling Waters, Okaloosa County, Florida adjacent to Eglin Air Force Base.

As you know, this land was at one time within the Choctawatchee National Forest that was transferred in 1940 from the control and jurisdiction of the Forest Service, Department of Agriculture, to the control and jurisdiction of the War Department for military purposes. However, according to the Act, in the event the area transferred within or adjacent to the national forest shall cease to be needed for military purposes, it be restored to a national-forest status.

Aware of the reliance on inaccurate surveys, I have no objection to the inclusion of this language to H.R. 1588, the "National Defense Authorization Act for Fiscal Year 2004", so as to resolve any and all encroachments upon private property by the United States and upon property of the United States by private parties.

I do so with the understanding that this waiver does not waive any future jurisdiction claim over this or similar measures, and re-

serve the right to seek appropriate representation in the event the measure should go to conference to this section.

I greatly appreciate your cooperation in this matter.

Sincerely,

BOB GOODLATTE, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, May 8, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: It is my understanding that statutory authority in Title 10, Section 2883 U.S.C. allows the Department of Defense to execute Military Housing Privatization Initiatives [MHPI] up to a limit of $850 million in budget authority. DOD's legislative proposal for fiscal year 2004 would double that limit to $1.7 billion.

The Congressional Budget office has indicated its intent to treat any legislative provision containing an increase in budget authority for MHPI as direct spending. Such treatment would give rise to a point of order under section 302(f) of the Congressional Budget Act.

Should legislation increasing MHPI be reported to the House during fiscal year 2004, it is my intention to direct CBO to treat the MHPI provision as it has in the past, i.e., as if it did not give rise to direct spending. This declaration of intent is, however, contingent upon the following understanding:

- That the increase in budget authority for MHPI in fiscal year 2004 be limited to $50 million, an amount sufficient for DOD to execute its plan through the end of fiscal year 2004;
- That increases in budget authority for MHPI in legislation reported in years after fiscal year 2004 shall be treated as direct spending. Should the Armed Services Committee intend to legislate future increases in budget authority for the program, it should include this information in its annual "Views and Estimates" letter to the Budget Committee. This will enable the Budget Committee to properly consider the matters prior to markup for the Congressional Budget Resolution.

Let me emphasize that the Budget Committee does not intend to hinder DOD's ongoing military housing program. Rather, I want to clarify that for fiscal year 2004, the Committee intends to adopt a one-year transition treatment of MHPI in the budget. In future fiscal years that Budget Committee will work with the Armed Services Committee to ensure that the needs of DOD's military housing program are met, and that such obligations are properly reflected in the budget.

Thank you very much for your attention to this matter. Please do not hesitate to contact me if you have any questions.

Sincerely,

JIM NUSSLE, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, May 16, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This letter concerns the jurisdictional interest of the Committee on the Budget in H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004. H.R. 1588, as ordered reported by the Committee on Armed Services, contains several report-related requirements under the jurisdiction of the Committee on Budget.

Recognizing your interest in bringing this legislation before the House expeditiously, the Committee on the Budget agrees not to seek a referral of the bill based on provisions within its jurisdiction. By agreeing not to seek a referral, the Committee on the Budget does not waive its jurisdiction over these provisions or any other provisions of the bill that may fall within its jurisdiction. In addition, the Committee on the Budget reserves its right to seek conferees on any provisions within its jurisdiction which are considered in the House-Senate conference.

Sincerely,

JIM NUSSLE, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, May 16, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR CHAIRMAN HUNTER: On May 14, 2003, the Committee on Armed Services ordered reported H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004. As you know, section 814 (relating to certain production capabilities for certain critical items), section 907 (relating to the rotating chairmanship of the Economic Adjustment Committee), and section 1206 (relating to check cashing and exchanges of foreign currency) fall within the jurisdiction of the Committee on Financial Services pursuant to the Committee's jurisdiction under Rule X of the Rules of the House of Representatives.

While we continue to have some concerns about section 814, because of your willingness to consult with the Committee on Financial Services regarding all of these provisions, and the need to move this legislation expeditiously, I will waive consideration of the bill by the Financial Services Committee. By agreement to waive its consideration of the bill, the Financial Services Committee does not waive its jurisdiction over H.R. 1588. In addition, the Committee on Financial Services reserves its authority to seek conferees on any provisions of the bill that are within the Financial Services Committee's jurisdiction during any House-Senate conference that may be convened on this legislation. I ask your commitment to support any request by the Committee on Financial Services for conferees on H.R. 1588 or related legislation.

I request that you include this letter and your response as part of your committee's report on the bill and the Congressional Record during consideration of the legislation on the House floor.

Thank you for your attention to these matters.

Sincerely,

MICHAEL G. OXLEY, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, May 16, 2003.

Hon. MICHAEL OXLEY,
Chairman, Committee on Financial Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of May 16, 2003 regarding H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004.

I agree that the Committee on Financial Services has valid jurisdictional claims to certain provisions in this important legislation, and I am most appreciative of your decision not to request such a referral in the interest of expediting consideration of the bill. I agree that by foregoing a sequential referral, the Financial Services is not waiving its jurisdiction. Further, as you requested, this exchange of letters will be included in the Committee report on the bill.

With best wishes.

Sincerely,

DUNCAN HUNTER, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC, May 16, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I understand that on Thursday, May 15, 2003, the Committee on Armed Services ordered favorably reported H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004. The bill includes a number of provisions that fall within the legislative jurisdiction of the Committee on International Relations pursuant to Rule X of the House of Representatives.

The specific provisions within our committee's jurisdiction are: (1) Section 1023, Report on Department of Defense Post-Conflict Activities in Iraq; (2) Section 1047, Use of Drug Interdiction and Counter-Drug Funds to Support Activities of the Government of Colombia; (3) Section 1201, Expansion of Authority to Provide Administrative Support and Services and Travel and Subsistence Expenses for Certain Foreign Liaison Officers; (4) Section 1202, Recognition of Superior Noncombat Achievements or Performance by Members of Friendly Foreign Forces and Other Foreign Nationals; (5) Section 1205, Report on Acquisition by Iraq of Advanced Weapons; (6) Section 1207, Requirements for Transfer to Foreign Countries of Certain Specified Types of Excess Aircraft; (7) Title XIII, Cooperative Threat Reduction; and (8) Section 3121, Transfer and

Consolidation of Recurring and General Provisions on Department of Energy National Security Programs.

Pursuant to Chairman Dreier's announcement that the Committee on Rules will move expeditiously to consider a rule for H.R. 1588, and your desire to have the bill considered on the House floor next week, the Committee on International Relations will not seek a sequential referral of the bill as a result of including these provisions, without waiving or ceding now or in the future this committee's jurisdiction over the provisions in question. I will seek to have conferees appointed for these provisions during any House-Senate conference committee.

I would appreciate your including this letter as a part of the report on H.R. 1588 and as part of the record during consideration of the bill by the House of Representatives.

With best wishes,

Sincerely,

HENRY J. HYDE, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, May 15, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
Washington, DC.

DEAR CHAIRMAN HUNTER: In recognition of the desire to expedite floor consideration of H.R. 1588, the Department of Defense authorization bill, the Committee on the Judiciary hereby waives consideration of the bill with the understanding that proposed section 1004 (relating to litigation costs for agencies that receive third party discovery requests), 1042 (relating to the establishment of the Defense Heritage Foundation), 1402 (relating to the sunset for section 204 of the USA Patriot Act), and an unnumbered section (relating to attorneys fees for cases involving pay differentials because of exposure to asbestos) will not be included in the bill. These sections contain matters within the Committee on the Judiciary's Rule X jurisdiction.

I further understand that proposed sections 1050 (relating to court procedures for FOIA requests for NSA operational files) and 2827 (relating to an exemption from Justice Department screening of a land conveyance in Orange, Texas) will be included in the bill. These sections also contain matters within the Committee on the Judiciary's Rule X jurisdiction. If these sections are added to the bill, I will not seek a sequential referral based on their inclusion.

The Committee on the Judiciary takes this action with the understanding that the Committee's jurisdiction over these provisions is in no way diminished or altered. I would appreciate your including this letter in your Committee's report on H.R. 1588 and the Congressional Record during consideration of the legislation on the House floor.

Sincerely,

F. JAMES SENSENBRENNER, Jr., *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, May 16, 2003.

Hon. F. JAMES SENSENBRENNER, Jr.,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of May 15, 2003 regarding H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004.

I agree that the Committee on the Judiciary has valid jurisdictional claims to certain provisions in this important legislation, and I am most appreciative of your decision not to request such a referral in the interest of expediting consideration of the bill. I agree that by foregoing a sequential referral, the Committee on the Judiciary is not waiving its jurisdiction.

Further, as you requested, this exchange of letters will be included in the Committee report on the bill.

With best wishes.

Sincerely,

DUNCAN HUNTER, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND THE WORKFORCE,
Washington, DC, May 16, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
Washington, DC.

DEAR CHAIRMAN HUNTER: Thank you for working with me in your development of H.R. 1588, the "National Defense Authorization Act for Fiscal Year 2004," specifically:

(1) Section 544, "Standardization of Statutory Authorities for Exemptions from Requirement for Access to Secondary Schools by Military Recruiters;"

(2) Section 553, "Eligibility for Dependents of Certain Mobilized Reservists Stationed Overseas to Attend DOD Dependents Schools Overseas;"

(3) Section 567, Impact Aid Eligibility for Heavily Impacted Local Educational Agencies Affected by Privatization of Military Housing;

(4) Section 907, "Repeal of Rotating Chairman of Economic Adjustment Committee;" and

(5) Section 3121, "Transfer and Consolidation of Recurring and General Provisions on Department of Energy National Security Programs."

As you know, these provisions are within the jurisdiction of the Education and the Workforce Committee. While I do not intend to seek sequential referral of H.R. 1588, the Committee does hold an interest in preserving its future jurisdiction with respect to issues raised in the aforementioned provisions and its jurisdictional prerogatives should the provisions of this bill or any Senate amendments thereto be considered in a conference the Senate. We would expect to be appointed as conferees on these provisions should a conference with the Senate arise.

Again, I thank you for working with me in developing the amendments to H.R. 1588 and look forward to working with you on these issues in the future.

Sincerely,

JOHN BOEHNER, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, May 16, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
Washington, DC.

DEAR CHAIRMAN HUNTER: On May 14, 2003, the Committee on Armed Services ordered reported H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004. As ordered reported by the Committee on Armed Services, this legislation contains a number of provisions that fall within the jurisdiction of the Committee on Energy and Commerce. These provisions include the following:

Section 316 Report regarding impact of civilian community encroachment and certain legal requirements on military installations and ranges.

Section 601 Increase in basic pay for fiscal year 2004.

Section 3113 Extension of all DOE facilities of authority to prohibit dissemination of certain unclassified information.

Section 3121 Transfer and consolidation or recurring and general provisions on Department of Energy national security programs.

Section 3201 Defense Nuclear Safety Board Authorization.

I understand that one provision within my jurisdiction that is in the bill as ordered reported will be deleted in the reported version of H.R. 1588. That provision is section 3116, which deals with the discretion of the Secretary of Energy concerning certain personnel security matters.

Recognizing your interest in bringing this legislation before the House expeditiously, the Committee on Energy and Commerce agrees not to seek a sequential referral of the bill. By agreeing not to seek a sequential referral, the Committee on Energy and Commerce does not waive its jurisdiction over these provisions or any other provisions of the bill that may fall within its jurisdiction. In addition, the Committee on Energy and Commerce reserves its right to seek conferees on any provisions within its jurisdiction which are considered in the House-Senate conference, and asks for your support in being accorded such conferees.

I request that you include this letter as part of the report on H.R. 1588 and as part of the Congressional Record during consideration of this bill by the House.

Sincerely,

W.J. "BILLY" TAUZIN, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, May 8, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
Washington, DC.

DEAR MR. CHAIRMAN: I appreciate your willingness to work with me on the 2004 Defense Authorization bill and I value the working relationship that we have built in our cooperation on this bill. I am pleased that the Government Reform Committee was able to favorably report H.R. 1836, Civil Service and National Security Personnel Improvement Act, and H.R. 1837, the Services Acquisition Reform Act of 2003. I look forward to working with you to include this legislation in the 2004 Defense Authorization bill.

You have shared with me a number of additional provisions where the committee on Armed Services and the Committee on Government Reform have a shared jurisdictional interest. I will not seek a sequential referral to the Committee on Government Reform on many of these proposed provisions with the understanding that I am not waiving the committee's prerogative to be represented on any conference that may occur on the 2004 Defense Authorization bill and that you will support the committee's request to have it's representatives appointed to the conference on the appropriate sections. However, I cannot support a few of the provisions that you have shared with me and consequently I cannot commit to not seeking a sequential referral on these few provisions. The following lists detail the provisions that I am willing to waive the right to sequential referral on and those that I am not.

One of proposals that I am willing to waive a sequential referral of is the BioMedical Countermeasures provision. I would like to work with you to explore the possibility of expanding these provisions to provide government-wide applicability.

In addition, I have reviewed the Administration's proposal to eliminate many unnecessary reports, and I support the elimination of reports that no longer serve any legitimate purpose. However, some of the reports provide invaluable insight and transparency into complex acquisition processes. The elimination of these reports would impede the Government Reform Committee in carrying out its mandated oversight role. I have attached a list of the reports that this committee has and continues to find very valuable.

Committee on Government Reform will waive sequential referral of the following provisons:

(1) Enhanced Authority for Defense Intelligence Components and Special Operations Command to obtain needed personnel services overseas (amends 10 U.S.C. § 167 and Chapter 21, partial exemption from 5 U.S.C. § 3109).

(2) Department of Energy Project Review Groups not subject to FACA by reason of inclusion of employees of department of energy management and operating contractors (Amends 31 U.S.C., exemptions from 5 U.S.C. § 552, Federal Advisory Committee Act).

(3) Expediting process by which the Secretary of Interior and Agriculture may utilize military aircraft to fight wildfires and for other purposes (H.R. 575, the Wildfire Response Act of 2003, exemption from 31 U.S.C. § 1534).

(4) Authority to provide living quarters for certain students in cooperative education programs of the National Security Agency (Amends 10 U.S.C. § 2195, exemption from 5 U.S.C. § 5911).

(5) Authority to Convey Property at Military Installations in Exchange for Military Construction Activities (Amends 10 U.S.C. Chapter 169).

(6) Research and Development of Defense Biomedical Countermeasures, Procurement of Defense Biomedical Countermeasures, and Authorization for Use of Medical Products in Emergencies.

(7) Section 403: Reassignment of Retired Members of the Armed Forces to Positions in the Department of Defense (Repeals 5 U.S.C. § 3326).

(8) Amends reporting requirements under 10 U.S.C. § 2410m regarding retention of amounts collected from contractor during the pendency of contract dispute.

(9) Land Conveyance, Naval Reserve Center, Orange, Texas (Amends 10 U.S.C. §§ 2693 and 2696, partial exemption from the Federal Property Act and Administrative Services Act of 1949).

(10) Projects to Accelerate Closure Activities at Defense Nuclear Facilities (Amends Section 3143 of Public Law 104–201).

(11) Authority for Appointment of Certain Scientific, Engineering and Technical Personnel by the Secretary of Energy.

Committee on Government Reform will not waive sequential referral of the following provisions:

(1) Requirement for Restoration Advisory Boards and Exemption From Federal Advisory Committee Act (Amends Title 10, Section 2709, exemption from 5 U.S.C. § 552).

(2) Protection of operational files of the National Security Agency (Amends Title I of the National Security Act of 1947, partial exemption from 5 § 552, the Freedom of Information Act).

(3) Section 103: Priority Placement of Displaced Civilian Employees (Amends 10 U.S.C. Chapter 81, exemptions from 5 U.S.C.).

(4) Employee Incentives for Workers at Closure Project Facilities (Amends 5 U.S.C. §§ 5754 and 8905).

I thank you for your attention to these matters. If you have any questions please do not hesitate to contact me or Ellen Brown, my Legislative Director and Senior Policy Counsel.

Sincerely,

TOM DAVIS, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, May 13, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to follow-up on my letter of May 8, 2003 regarding committee jurisdiction of provisions included in H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004. In that letter, I indicated that I would seek a sequential referral of H.R. 1588 to the Committee on Government Reform if the following provisions were included in the reported bill:

—Protection of operational files of the National Security Agency (Amends Title I of the National Security Act of 1947, partial exemption from 5 U.S.C. §552, the Freedom of Information Act).

—Employee Incentives for Workers At Closure Project Facilities (Amends 5 U.S.C. §§ 5754 and 8905).

Due to the additional information your staff has provided me, I am now satisfied that the inclusion of these provisions in H.R. 1588 is appropriate, and I will not seek a sequential referral of these provisions. In addition, I am now satisfied that Section 3121, "Transfer and Consolidation of Recurring and General Provisions on Department of Energy National Security Programs" is not substantive and I will not seek a sequential referral of H.R. 1588 due to the transfer of these provisions to a new chapter of title 50 of the United States Code. If you have any questions please do not hesitate to contact me or Ellen B. Brown, my Legislative Director and Senior Policy Counsel.

Sincerely,

TOM DAVIS, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, May 13, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing with regard to H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004. Last week, the Committee on Government Reform ordered reported H.R. 1836, Civil Service and National Security Personnel Improvement Act, and H.R. 1837, the Services Acquisition Reform Act of 2003. I have worked with you to include the provisions of H.R. 1836 and H.R. 1837 in this year's National Defense Authorization Act.

I appreciate your willingness to work with me on these provisions that are within the jurisdiction of the Committee on Government Reform. I will not seek a sequential referral of H.R. 1588 based on the inclusion of any provision from H.R. 1836 or H.R. 1837, as ordered reported. Also, I will not seek a sequential referral of H.R. 1588 due to technical and clarifying changes to section 102 of H.R. 1836 relating to the new subsection 5 U.S.C. § 9902(j). Should there be any changes beyond these reported bills and other agreed upon provisions, I will request that H.R. 1588 is referred sequentially to the Committee on Government Reform for its consideration.

If I can be of any further assistance, please do not hesitate to contact me or Ellen B. Brown, my Legislative Director and Senior Policy Counsel.

Sincerely,

TOM DAVIS, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, May 2, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I wish to inform the Committee on Armed Services that the Committee on Veterans' Affairs hereby waives any jurisdiction it may have over the provisions of section 1021 of Title X of the National Defense Authorization Bill for Fiscal

Year 2004 regarding the repeal of report requirements for Joint Telemedicine and Telepharmacy Demonstration Projects and for Educational Assistance for Members of the Select Reserve, has no objection to them and does not desire their referral. Copies of these provisions are enclosed.

Sincerely,

CHRISTOPHER H. SMITH, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, May 12, 2002.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I wish to inform the Committee on Armed Services that the Committee on Veterans' Affairs hereby waives referral of a measure which includes language identical to that contained in H.R. 1911, a bill to amend title 38, United States Code, to enhance cooperation and the sharing of resources between the Department of Veterans Affairs and the Department of Defense. Our Committee plans to report H.R. 1911 with a favorable recommendation, and supports its inclusion in the Fiscal Year 2004 Defense Authorization bill which the Committee on Armed Services plans to report.

Sincerely,

CHRISTOPHER H. SMITH, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON RESOURCES,
Washington, DC, May 16, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Congratulations on your successful 21–hour markup of H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004. You should be commended for your leadership in marshaling this important legislation through your committee.

I have reviewed the following provisions that are within the jurisdiction of the Committee on Resources:

Section 317, Military Readiness and Conservation of Protected Species.

Section 318, Military Readiness and Marine Mammal Protection.

Section 319, Limitation on Department of Defense Responsibility for Civilian Water Consumption Impacts Related to Fort Huachuca, Arizona.

Section 601, Increase in Basic Pay for Fiscal Year 2004 (as it relates to the National Oceanic and Atmospheric Administration Corps).

Because of the continued cooperation and consideration you have afforded me and my staff in developing these provisions, I will not seek a sequential referral of H.R. 1588 based on their inclusion in the bill. Of course, this waiver does not prejudice any future jurisdictional claims over these provisions or similar language. I also reserve the right to seek to have conferees named from the Committee on Resources on these provisions, should a conference on H.R. 1588 or a similar measure become necessary.

Once again, it has been a pleasure to work with you, Rusty Johnston and Virginia Johnson of your staff. I look forward to seeing H.R. 1588 enacted soon.

Sincerely,

RICHARD W. POMBO, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SCIENCE,
Washington, DC, May 15, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I understand that the Armed Services Committee has requested that the Committee on Science waive its right to a referral on several sections of H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004. It is also my understanding that the Parliamentarian's office has confirmed that the Science Committee has jurisdiction over several provisions in H.R. 1588.

To expedite the consideration of this bill by the House, the Committee is willing to waive its right to a referral, provided that the Science Committee's right to participate as conferees on those provisions within its jurisdiction is also protected. I would also appreciate if this exchange of letters could be included in the record of debate on H.R. 1588 during floor consideration.

Thank you for your consideration in this matter.

Sincerely,

SHERWOOD BOEHLERT, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SMALL BUSINESS,
Washington, DC, May 16, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR CHAIRMAN HUNTER: On May 14, 2003, the Committee on Armed Services ordered reported H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004. The provisions of Section

804 ("Limitation Period on Task and Delivery Order Contracts"), Section 806 ("Evaluation of the Prompt Payment Provisions"), and Section 1428 ("Improvements In Contracting For Architectural and Engineering Services") refer to small businesses or the Small Business Act and, therefore, fall directly within the jurisdiction of the Committee on Small Business pursuant to the Committee's jurisdiction under Rule X of the Rules of the House of Representatives. Section 812 ("Identification of Critical Items: Military Systems Breakout List") is closely allied to the "Breakout Program" contained in the Small Business Act (15 U.S.C section 644). Also, since small businesses comprise the vast majority of our defense industrial base, Section 811 ("Assessment of United States Defense Industrial Base Capabilities") of H.R. 1588 is of great interest to the Committee on Small Business as is Section 1452 ("Authority to Make Inflation Adjustments to Simplified Acquisition Threshold").

I appreciate your willingness to consult and work with the Committee on Small Business regarding these provisions and other provisions of H.R. 1588 that impact small businesses, this nation's defense industrial base, and the economy. Because of the need to move this legislation expeditiously, I will waive consideration of the bill by the Committee on Small Business. By agreeing to waive its consideration of the bill, the Committee on Small Business does not waive its jurisdiction over H.R. 1588. In addition, the Committee on Small Business reserves its authority to seek conferees on any provisions of the bill that are within the Committee on Small Business's jurisdiction during any House-Senate conference that may be convened on this legislation. I ask your commitment to support any request by the Committee on Small Business for conferees on H.R. 1588 or related legislation.

I request that you include this letter and your response as part of your committee's report on the bill and the Congressional Record during consideration of the legislation on the House floor. Thank you for your kind attention to these matters.

Sincerely,

DONALD A. MANZULLO, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC, May 16, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you concerning the jurisdictional interest of the Transportation and Infrastructure Committee in matters being considered in H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004.

Our Committee recognizes the importance of H.R. 1588 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over a number of provisions of the bill, I do not intend to request a sequential referral. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to forego a sequential referral waives, reduces or otherwise affects the jurisdiction of the Transportation and Infrastructure Committee, that every effort will be made to in-

clude any agreements worked out by staff of our two Committees in amendments as the bill is taken to the House Floor, and that a copy of this letter and of your response acknowledging our jurisdictional interest will be included in the Committee Report and as part of the Congressional Record during consideration of this bill by the House.

The Committee on Transportation and Infrastructure also asks that you support our request to be conferees on the provisions over which we have jurisdiction during any House-Senate conference.

Thank you for your cooperation in this matter.

Sincerely,

DON YOUNG, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, May 16, 2003.

Hon. Don Young,
Chairman, Committee on Transportation and Infrastructure, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of May 16, 2003 regarding H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004.

I agree that the Committee on Transportation and Infrastructure has valid jurisdictional claims to certain provisions in this important legislation, and I am most appreciative of your decision not to request such a referral in the interest of expediting consideration of the bill. I agree that by foregoing a sequential referral, the Committee on Transportation and Infrastructure is not waiving its jurisdiction. Further, as you requested, this exchange of letters will be included in the Committee report on the bill.

With best wishes.

Sincerely,

DUNCAN HUNTER, *Chairman.*

FISCAL DATA

Pursuant to clause 3(d) rule XIII of the Rules of the House of Representatives, the committee attempted to ascertain annual outlays resulting from the bill during fiscal year 2003 and the following four years. The results of such efforts are reflected in the cost estimate prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974, which is included in this report pursuant to clause 3(c)(3).

CONGRESSIONAL BUDGET OFFICE ESTIMATE

In compliance with clause 3(c)(3) of rule XIII of the House of Representatives, the cost estimate prepared by the Congressional Budget Office and submitted pursuant to section 402 of the Congressional Budget Act of 1974 is as follows:

MAY 16, 2003.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004.

The CBO staff contact is Kent Christensen. If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

DOUGLAS HOLTZ-EAKIN,
Director.

Congressional Budget Office Cost Estimate

Summary: H.R. 1588 would authorize appropriations totaling $398 billion for fiscal year 2004 for the military functions of the Department of Defense (DoD) and the Department of Energy (DOE). It also would authorize an additional $0.7 billion over the 2005–2008 period for the Maritime Administration. In addition, the bill would prescribe personnel strengths for each active-duty and selected reserve component of the U.S. armed forces. CBO estimates that appropriation of the authorized amounts would result in additional outlays of $394.1 billion over the 2004–2008 period.

The bill also contains provisions that would both increase and decrease costs of discretionary defense programs over the 2005–2008 period. CBO estimates that those provisions combined would reduce the requirements for discretionary spending by about $850 million over those four years, assuming that net appropriations are reduced by the estimated amounts.

The bill contains provisions that would increase direct spending, primarily from increasing the amount that DoD can spend to finance special authorities for the construction and renovation of military family housing. We estimate that the increase in direct spending resulting from provisions of H.R. 1588 would total $420 million over the 2004–2008 period and $466 million over the 2004–2013 period. Those totals include estimated net receipts from asset sales of $20 million over the 2004–2005 period.

H.R. 1588 contains an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA). However, CBO estimates that any costs to state, local, or tribal governments from the mandate would be insignificant and would not, therefore, exceed the threshold established in UMRA for such mandates ($59 million in 2003, adjusted for inflation). The bill would impose no private-sector mandates as defined in UMRA.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 1588 is shown in Table 1. Most of the costs of this legislation fall within budget function 050 (national defense).

TABLE 1.—BUDGETARY IMPACT OF H.R. 1588, THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2004

	By fiscal year, in millions of dollars—					
	2003	2004	2005	2006	2007	2008
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law for Defense Programs:						
Budget Authority [1]	453,197	0	0	0	0	0
Estimated Outlays	419,249	150,324	45,599	13,941	5,593	2,702
Proposed Changes:						
Estimated Authorization Levels	0	398,081	5	411	161	166
Estimated Outlays	0	267,452	89,160	26,747	7,743	3,031
Spending Under H.R. 1588 for Defense Programs:						
Estimated Authorization Levels [2]	453,197	398,081	5	411	161	166
Estimated Outlays	419,249	417,776	134,759	40,688	13,336	5,733
CHANGES IN DIRECT SPENDING (EXCLUDING ASSET SALES)						
Estimated Budget Authority	0	171	296	6	7	2
Estimated Outlays	0	23	99	169	104	45
ASSET SALES [2]						
Estimated Budget Authority	0	−15	−5	0	0	0
Estimated Outlays	0	−15	−5	0	0	0

For 2004–2008, the figures under "Proposed Changes" include amounts specifically authorized by the bill plus an inferred authorization in 2004 for the Coast Guard Reserve based on authorized endstrength levels. The bill also implicitly authorizes programs in 2005–2008; those authorizations are not included above (but are shown in Table 3) because funding for those programs would be covered by specific authorizations in future years.

The 2003 level is the amount appropriated for programs authorized by the bill (including $62,808 million in appropriations in Public Law 108–11, the Emergency Wartime Supplemental Appropriations Act, 2003).

Asset sale receipts are a credit against direct spending.

Basis of Estimate

Spending Subject to Appropriation. The bill would specifically authorize appropriations totaling $398.0 billion in 2004 (see Table 2). Most of those costs would fall within budget function 050 (national defense). Other costs—some occurring beyond 2004—would fall within other budget functions; they include: $65 million in 2004 for the Armed Forces Retirement Home (function 600—income security); $17 million in 2004 for the Naval Petroleum Reserves (function 270—energy); $5 million annually from 2004 to 2008 for the Sikes Act (both function 300—natural resources and environment, and function 050—national defense); and a host of authorizations for the Maritime Administration (both function 400—transportation, and function 050—national defense). Authorizations for the Maritime Administration are discussed later in the estimate, just before the section on direct spending. The estimate assumes that the amounts authorized for 2004 will be appropriated before the start of fiscal year 2004. Outlays are estimated based on historical spending patterns.

For 2003, the bill authorizes the appropriation of the $62.8 billion in supplemental funding for DoD and DOE as provided in Public Law 108–11, the Emergency Wartime Supplemental Appropriations Act, 2003, plus other supplemental appropriations that may be necessary before the end of the year. Because the wartime supplemental funding has been enacted into law, Table 1 includes those appropriations in the figures for "Spending Under Current Law." Since DoD has recently stated that under current circumstances it does not anticipate needing further supplemental funding for 2003, this estimate assumes no such appropriations will be enacted for the remainder of this fiscal year.

The bill is silent regarding additional appropriations for 2004 that DoD indicates will be required to fund ongoing operations relating to Iraq and the global war on terrorism. CBO expects that those amounts, which would be additions to appropriations authorized by the bill, will likely be provided in supplemental appropriations enacted during 2004.

Category	By fiscal year, in millions of dollars—				
	2004	2005	2006	2007	2008
Military Personnel:					
Authorization Level	98,939	0	0	0	0
Estimated Outlays	94,261	3,958	198	99	0
Operation and Maintenance:					
Authorization Level	130,324	0	0	0	0
Estimated Outlays	99,603	24,895	3,779	1,058	331
Procurement:					
Authorization Level	76,490	0	0	0	0
Estimated Outlays	22,726	28,966	15,209	4,900	1,899
Research, Development, Test, and Evaluation:					
Authorization Level	62,686	0	0	0	0
Estimated Outlays	33,755	22,909	4,711	759	197
Military Construction and Family Housing:					
Authorization Level	9,790	0	0	0	0
Estimated Outlays	2,615	3,545	2,000	823	407
Atomic Energy Defense Activities:					
Authorization Level	16,699	0	0	0	0
Estimated Outlays	11,493	4,341	863	2	0
Other Accounts:					
Authorization Level	3,033	5	411	161	166
Estimated Outlays	2,016	722	362	290	260
General Transfer Authority:					
Authorization Level	0	0	0	0	0
Estimated Outlays	875	−188	−375	−188	−63
Total:					
Authorization Levels [1]	397,961	5	411	161	166
Estimated Outlays	267,344	89,148	26,747	7,743	3,031

After adding the $120 million estimated authorization for the Coast Guard Reserve, the bill would authorize appropriations of slightly less than $398.1 billion for 2004.

These amounts comprise nearly all of the proposed changes for authorizations of appropriations for 2004 shown in Table 1; they do not include the estimated authorization of $120 million for the Coast Guard Reserve, which is shown in Table 3. For 2005–2008 they include various authorizations for the Maritime Administration discussed later in the estimate and shown in Table 4, plus $5 million in annual authorizations for the Sikes Act.

The bill also contains provisions that would both increase and decrease various costs, mostly for personnel, that would be covered by the fiscal year 2004 authorization and by authorizations in future years. Table 3 contains estimates of those amounts. In addition to the costs covered by the authorizations in the bill for 2004, CBO estimates that these combined provisions would reduce estimated costs by $850 million over the 2005–2008 period. These amounts do not include the costs of sections 541, 617, 618, 908, 1031, 1032, 1038, or 1111 because CBO cannot estimate the costs at this time. Those sections of the bill pertain primarily to military and civilian pay and benefits. The provisions identified in Table 3 are described below, including information about CBO's estimates of costs for those provisions.

Multiyear procurement

In most cases, purchases of weapon systems are authorized annually, and as a result, DoD negotiates a separate contract for each annual purchase. In a small number of cases, the law permits multiyear procurement; that is, it allows DoD to enter into a con-

tract to buy specified annual quantities of a system for up to five years. In those cases, DoD can negotiate lower prices because its commitment to purchase the weapons gives the contractor an incentive to find more economical ways to manufacture the weapon, including cost-saving investments. Annual funding is provided for these multiyear contracts, but potential termination costs are covered by an initial appropriation.

Section 121 would authorize the Secretary of the Navy to enter into a multiyear contract to purchase 234 F/A–18 aircraft beginning in 2005 in the F/A–18E, F/A–18F, and EA–18G configurations. Based on information provided by the Navy, CBO assumes that the Navy would procure 168 aircraft over the 2005–2008 period. CBO estimates that savings from buying these aircraft under a multiyear contract would total $818 million, or about $204 million a year, over the 2005–2008 period. Funding requirements to purchase these aircraft would total just under $12.9 billion over the 2005–2008 period (instead of the $13.7 billion that would be needed under annual contracts). CBO also estimates that additional savings of $235 million would accrue in 2009 if the Navy completes its planned purchase of 42 more aircraft under this multiyear procurement authority.

Section 122 would authorize the Secretary of the Navy to enter into a multiyear contract to purchase tactical Tomahawk cruise missiles starting in fiscal year 2004 and would direct the Secretary to purchase no more than 900 missiles a year. Based on information provided by the Navy, CBO assumes that the Navy would buy 1,784 missiles over the 2004–2008 period. CBO estimates that savings from buying these missiles under a multiyear contract would total about $135 million over the 2004–2008 period, or about $75,000 a missile. Funding requirements to purchase these missiles would total just over $1.6 billion over the 2004–2008 period (instead of the almost $1.8 billion that would be needed under annual contracts). Multiyear procurement of tactical Tomahawk missiles would raise costs in 2004 because the Navy would need to provide for advance purchases of components for missiles it would purchase later in the 2004–2008 period.

TABLE 3.—ESTIMATED AUTHORIZATIONS OF APPROPRIATIONS FOR SELECTED PROVISIONS IN H.R. 1588

Category	By fiscal year, in millions of dollars				
	2004	2005	2006	2007	2008
MULTIYEAR PROCUREMENT					
F/A–18E/F Aircraft	0	−166	−205	−211	−236
Tactical Tomahawk Missile	3	−40	−43	−32	−23
Virginia Class Submarines	275	210	−64	−613	−613
E–2C and TE–2C Aircraft and Engines	−62	2	0	2	0
FORCE STRUCTURE					
DoD Military Endstrengths	248	510	527	544	562
Coast Guard Reserve Endstrength	120	0	0	0	0
Required Force Structure	20	268	269	340	281
COMPENSATION AND BENEFITS (DoD)					
Military Pay Raises	190	269	279	288	298
Coast Guard Pay Raises	6	8	9	9	9
Expiring Bonuses and Allowances	624	550	327	217	151
Special Pays for Service in Iraq and Afghanistan	263	112	81	81	57
Lodging Expenses for Reservists	132	13	10	7	5

TABLE 3.—ESTIMATED AUTHORIZATIONS OF APPROPRIATIONS FOR SELECTED PROVISIONS IN H.R. 1588—Continued

Category	By fiscal year, in millions of dollars				
	2004	2005	2006	2007	2008
Undermanned Occupation Bonus	8	2	0	0	0
Other Provisions	5	6	6	6	6
CIVILIAN PROGRAMS					
Reduce Acquisition Workforce	−70	−479	−911	−1,367	−2,110
Modification of Overtime Pay Cap	107	147	151	156	161
Senior Executive Service Pay	23	31	31	31	31
Administration of Flexible Spending Accounts	22	28	33	39	44
Asbestos Differential Pay	−290	−290	−290	−290	−290
DEFENSE HEALTH PROGRAM					
Uniformed Services Medicare Eligible Retiree Healthcare Fund	0	14	0	0	0
OTHER PROVISIONS					
Base Realignment and Closure Property	68	53	27	27	27
Expanded Commissary Benefits for Reservists	4	4	4	4	4
Assistance for Victims of Domestic Abuse	3	3	3	3	3
Chaplain-Led Programs	3	5	6	6	6
Construct Wetlands Crossings at Camp Shelby	5	0	0	0	0
Services Acquisition Reform	6	6	6	6	6
BILL TOTAL					
Estimated Authorization Level [1]	1,713	1,266	256	−747	−1,621

For every item in this table except the authorization for the Coast Guard Reserve, the 2004 levels are included in Table 2 as amounts specifically authorized to be appropriated in the bill. Amounts shown in this table for 2005 through 2008 are not included in Table 1.

These amounts do not include the costs of sections 541, 617, 618, 908, 1031–1033, or 1111 because CBO cannot estimate such costs at this time.

Section 123 would authorize the Secretary of the Navy to enter into a multiyear contract for procurement of Virginia class submarines starting in fiscal year 2004. Based on information provided by the Navy, CBO assumes that the Navy would buy seven submarines over the 2004–2008 period. CBO estimates that savings from buying these submarines under a multiyear contract would total $805 million, or about $115 million a submarine, over the 2004–2008 period. CBO estimates that funding requirements to purchase these submarines, as well as funding the advance purchase of components for future boats, would total about $15.4 billion over the 2004–2008 period (instead of the $16.2 billion that would be needed under annual contracts). Multiyear procurement of Virginia class submarines would raise costs in 2004 and 2005 because the Navy would need to provide increased funding in each of those years for advance purchases of components for the submarines that it would purchase later in the 2004–2008 period.

Section 124 would authorize the Secretary of the Navy to enter into a four-year multiyear contract to purchase four E–2C aircraft, four TE–2C aircraft, and 16 engines for these aircraft, beginning in 2004. CBO estimates that savings from buying these aircraft and engines under a multiyear contract would total almost $60 million, or about $15 million a year, over the 2004–2007 period. Funding requirements would total just over $950 million over the 2004–2007 period (instead of the roughly $1 billion that would be needed under annual contracts).

Military endstrength

The bill would authorize active and reserve endstrength levels for 2004 and would increase the minimum endstrength authoriza-

tion in permanent law. The authorized endstrengths for active-duty personnel and personnel in the selected reserve would total about 1,400,000 and 863,000, respectively. Of those selected reservists, about 70,000 would serve on active duty in support of the reserves. The bill would specifically authorize appropriations of $98.9 billion for the discretionary costs of military pay and allowances in 2004. The authorized endstrength represents a net increase of 3,385 servicemembers that would boost costs for salaries and other expenses by $248 million in the first year and about $535 million annually in subsequent years, compared to the authorized strengths for 2003.

The bill also would authorize an endstrength of 10,000 servicemembers in 2004 for the Coast Guard Reserve. This authorization would cost about $120 million and would fall under budget function 400 (transportation).

Required force structure

Section 911 would require that the Army, Navy, and Air Force maintain a certain force structure. It would specifically direct the Navy to have not less than 305 vessels in active service. The current Navy fleet consists of about 300 ships, but the Navy plans to reduce that amount to 292 ships in 2004 after retiring several surface combatants including Spruance-class destroyers and Ticonderoga-class cruisers. This provision would require the Navy to keep those ships in the fleet for several more years until new ships that are under construction arrive to replace them. Based on information from the Navy, CBO estimates that implementing this provision would require the Navy to keep nine destroyers, two cruisers, and two landing ship docks in the fleet over much of the 2004–2008 period instead of retiring them. CBO estimates that the operations and maintenance costs to keep these ships in the fleet would total about $1.1 billion over the 2005–2008 period. There would be no costs in 2004 because CBO estimates the operating costs would be offset by the savings from forgoing the decommissioning of these ships.

Section 911 also would require the Air Force to maintain 46 fighter squadrons in its active force. Currently, the Air Force has 45 active squadrons. It plans to add one squadron of F/A–22 aircraft in 2004 and retire one squadron of A–10 aircraft, sustaining a force of 45 squadrons. CBO assumes that the Air Force would retain the A–10 squadron over the 2004–2008 period to meet the bill's requirement to maintain 46 active squadrons. CBO estimates that the cost to keep the A–10 squadron in active service would be about $100 million over the 2004–2008 period.

Compensation and Benefits. H.R. 1588 contains several provisions that would affect military compensation and benefits for uniformed personnel.

Military Pay Raises. Section 601 would raise basic pay for individuals in the Army, Navy, Marine Corps, and Air Force with specific ranks and years of service by 2 percent across-the-board, and would authorize additional targeted pay raises for 2004, ranging from 1.2 percent to 4.25 percent for 2004. CBO estimates that implementing this provision would cost about $2.1 billion in 2004. Because the pay raises would be above those projected under current law, CBO estimates that the incremental costs associated with the

larger pay raise would be about $190 million in 2004 and total $1.3 billion over the 2004–2008 period.

This section also would raise basic pay for members of the Coast Guard by the same across-the-board and targeted pay rates for a total cost of $60 million in 2004. Because these pay raises also would be above those projected under current law, CBO estimates that the incremental costs associated with the larger pay raises would be about $6 million in 2004 and $41 million over the 2004–2008 period.

Expiring Bonuses and Allowances. Several sections of H.R. 1588 would extend DoD's authority to pay certain bonuses and allowances to current personnel. Under current law, most of these authorities are scheduled to expire in December 2003, or three months into fiscal year 2004. The bill would extend these authorities through December 2004. Based on data provided by DoD, CBO estimates that the costs of these extensions would be as follows:

- Payment of reenlistment bonuses for active-duty personnel would cost $305 million in 2004 and $171 million in 2005; enlistment bonuses for active-duty personnel would cost $113 million in 2004 and $163 million in 2005;
- Various bonuses for the Selected and Ready Reserve would cost $78 million in 2004 and $89 million in 2005;
- Special payments for aviators and nuclear-qualified personnel would cost $73 million in 2004 and $78 million in 2005;
- Retention bonuses for officers and enlisted members with critical skills would cost $14 million in 2004 and $9 million in 2005; and
- Authorities to make special payments and give bonuses to certain health care professionals would cost $41 million in 2004 and $40 million in 2005.

Most of these changes would result in additional, smaller costs in subsequent years because payments are made in installments.

Special Payments for Service in Iraq and Afghanistan. Section 622 would increase certain special payments to servicemembers who serve in a combat zone designated for Operation Iraqi Freedom or Operation Enduring Freedom effective October 1, 2003. (Public Law 108–11 raised these payments for fiscal year 2003 but that authority expires at the end of the fiscal year.) Under current law, the rates for imminent danger pay and the family separation allowance are set at $150 per month and $100 per month, respectively, for fiscal year 2004 and subsequent years. Section 622 would increase those respective rates to $225 per month and $250 per month for those servicemembers serving in the designated combat zones until the President calls an end to the operations. Based on information from DoD about current troop levels in those two areas and CBO assumptions about future troop levels, CBO estimates that implementing this section would cost $263 million in 2004 and $594 million over the 2004–2008 period. Should the President change the name of these operations to reflect a change in mission, CBO expects that the costs would be less than the estimated amounts because the provision would only apply to the operations so named.

Lodging Expenses for Reservists. Under current law, a member of the Reserve Components who is called to active duty is eligible for lodging per diem if he or she is assigned to duty away from home.

The member is not eligible for lodging per diem while on leave, however. Section 633 would allow DoD to reimburse a reservist called to active duty for lodging expenses incurred while on leave. This section also would apply retroactively to reservists who served on active duty away from home between September 11, 2001, and the date of enactment of the bill.

Since September 11, 2001, over 300,000 reservists have been called to active duty according to DoD. CBO assumes that 90,000 reservists will be on active duty in 2004 and that the number will decline to about 15,000 reservists by 2008, assuming no hostilities occur elsewhere in the world. Based on data from DoD, CBO assumes that about 50 percent of these reservists on active duty are away from home and receive an average lodging per diem of $55 a day. With an average tour length of one year and one leave day a month, CBO estimates that implementing this section would cost $132 million in 2004 and $167 million over the 2004–2008 period. Of these amounts, about $100 million would be paid to qualified reservists who were called up before this bill is enacted.

Undermanned Occupation Bonus. Section 621 would give DoD the authority to offer an incentive bonus of up to $4,000 to encourage certain enlisted members to convert from their current occupational specialty to an occupational specialty where there is a critical shortage of personnel. The new authority would expire on December 31, 2004. According to DoD, the Navy is the only service with the immediate intention to offer this bonus. The Navy plans to scale the amount of the bonus to the degree that an occupational speciality is critically short of personnel. In other words, the Navy would offer a smaller bonus to servicemembers who convert to occupational specialties where there is less of a critical shortage in personnel. Given the number of occupation conversions experienced in previous years, the Navy estimates that about 2,500 enlisted servicemembers would receive this bonus in 2004. Assuming the average bonus is $3,000, CBO estimates that implementing this section would cost $8 million in 2004 and $2 million in 2005.

Other Provisions. Section 620 would authorize DoD to grant special pay of $150 a month to servicemembers who are assigned to duty as members of Weapons of Mass Destruction Civil Support Teams. Section 615 would give reservists the same full monthly hazardous duty pay for performing demolition duty or parachute jumping that active-duty servicemembers receive. Section 534 would give DoD the authority to pay the interest on student loans for reservists with critical skills. Section 535 would allow students in the second year of a four-year Senior Reserve Officer Training Course to receive a monthly stipend. CBO estimates the cost of these increased authorities would total $5 million in 2004 and $29 million over the 2004–2008 period.

Section 541 would change the payment amount that servicemembers who are deployed away from their home base receive if they are gone more than 400 days out of a two-year period and add two additional categories of eligibility for this payment—deployment over 190 consecutive days and call up to active duty for the second time for the same contingency operation. Section 617 would expand to officers an incentive program which encourages enlisted servicemembers to extend the length of their overseas assignments. Section 618 would allow DoD to offer this bonus of up

to $60,000 to newly appointed officers with critical skills. CBO cannot estimate the budgetary impact of implementing these provisions, however, since DoD is unable to provide information about how the department would implement these provisions.

National Security Personnel System

Section 1111 would create a new human resources management system for DoD; would allow DoD to give certain employees outside the United States the same pay and benefits as the Foreign Service or Central Intelligence Agency; would require DoD, to the maximum extent practicable, adjust rates of compensation for civilian employees at the same rate as military personnel; and would allow DoD to provide additional pay to attract highly qualified experts. All of these authorities could potentially affect federal spending.

CBO cannot estimate the budgetary impact of implementing these provisions since DoD has not indicated how it would supplant—or improve upon—the personnel system currently governing the department; how many employees would benefit from receiving the same pay and benefits as the Foreign Service or Central Intelligence Agency as the number is classified; whether or how it might institute pay parity between its civilian employees and military members; or how many people it might hire under the authority to provide additional pay to attract highly qualified experts.

Section 908 would require DoD to conduct a pilot program using an automated workforce management system to manage its civilian personnel. CBO cannot estimate the budgetary impact of implementing this provision since DoD has not indicated what automated system it would use nor indicated what it might cost to acquire this system.

Defense acquisition workforce reductions

Section 910 would direct DoD to reduce the number of defense acquisition and support personnel within the department by 5 percent each fiscal year over the 2004–2007 period. These reductions would be measured against a baseline workforce defined as the number of defense acquisition and support personnel employed by the department as of October 1, 2003. Based on data from DoD, CBO assumes that the baseline workforce would total about 131,000 personnel on that date and that about 20 percent of that number would be military personnel who would be reassigned to other jobs within the department over the 2004–2008 period. Thus, under the provision, CBO estimates that about 5,300 civilians would need to be cut from the defense acquisition workforce each year. Assuming that these reductions would occur evenly throughout the year and that the average cost of a civilian employee within DoD would be about $77,000 in 2004, CBO estimates that the savings in salaries and benefits that would accrue from this reduction would total about $200 million in 2004 and $5.5 billion over the 2004–2008 period. If DoD chose to replace these workers with contract personnel, these savings would not be realized.

Those potential savings would be offset somewhat by the cost of severance packages that DoD would offer. Based on historical attrition data provided by DoD for its civilian workforce, CBO assumes that about 1 percent of this population would leave the acquisition workforce each year for reasons unrelated to the mandated reduc-

tions and would not be replaced. CBO assumes that the remaining 5,200 workers that must leave DoD each year would be offered severance packages of about $25,000 each, for a total cost of about $130 million each year or $520 million over the 2004–2007 period. Thus, CBO estimates that the net savings under this provisions would total about $70 million in 2004 and almost $5 billion over the 2004–2008 period.

Modification of the overtime pay cap

Under current law, overtime pay for work in excess of 40 hours per week for federal managers, supervisors, and other employees exempted under the Fair Labor Standards Act (FLSA) is limited to a set rate of roughly $32 an hour (one and a half times the normal rate for a general schedule (GS) grade 10 (GS–10), step 1, employee). Employees who earn salaries above GS–12, step 5, receive overtime pay at a rate that is, on an hourly basis, less than their regular pay.

Section 1101 would raise the overtime pay rate to either one and one-half times the hourly rate of a GS–10, step 1, or the hourly rate of the basic pay of the employee, whichever is greater. Although this change would not affect employees at GS–12, step 5, and lower, those above this pay rate would earn their hourly rate of pay for overtime work. Based on information from the Office of Personnel Management (OPM) on the number of FLSA-exempted employees at each grade and information on overtime worked, CBO estimates that implementing the proposal would cost approximately $100 million in 2004 and $0.7 billion over the 2004–2008 period. About 680,000 federal employees at GS–10 and above are exempt from the FLSA, which is about 36.7 percent of the general schedule (and related) workforce. For this estimate, CBO assumes that this employee group worked 37 percent of all overtime performed by FLSA-exempt employees. We also assume that those overtime hours are distributed proportionately across GS–10 through GS–13 employees, with GS–14 and GS–15 employees working one-third of the hours.

CBO estimated the cost of the proposal by calculating the cost of those overtime hours at the set rate under current law and then calculating the cost of that same amount of overtime at the set rate or the employee's hourly rate, whichever is greater.

Senior Executive Service (SES) performance provisions

Under current law, SES employees are paid at six different pay levels. Base pay is capped at Level IV of the Executive Schedule ($134,000) and the maximum pay with the locality-based comparability adjustment is set at Level III of the Executive Schedule ($142,500). SES employees receive the same annual across-the-board pay raises and locality-based comparability adjustments that GS employees receive.

Effective January 1, 2004, section 1107 would eliminate the six SES pay levels and raise the cap on base pay to $142,500. Locality adjustments to SES pay would be eliminated. The proposal would affect roughly 7,900 employees.

The legislation specifies that no SES employee would experience a reduction in the rate of basic pay in the first year after this legislation is enacted, and CBO assumes that this would continue to be

true after the first year. Because the salaries of many SES employees are at the current caps (or are expected to reach such caps over the next few years), raising the cap on base pay would allow those employees to get pay raises. Assuming that executive level salaries (and thus the caps) are raised by the full amount authorized under current law by the Ethics Reform Act, CBO estimates that the legislation would cost $147 million in authorizations over the 2004–2008 period.

Federal Flexible Benefits Plan administrative costs

Under current law, federal employees will be allowed to enroll in a flexible spending account (FSA) program offered through OPM beginning in May 2003. An FSA is an employee benefit that allows employees to set aside money, on a pre-tax basis, for health care and dependent care expenses. The administrative costs to the program will be paid by participating employees based on a formula to collect $48 annually for each health care account and 1.5 percent of the total dependent care account.

Section 1108 would prevent any fees from being charged to federal employees for the administrative costs to operate the FSAs. Based on information from the federal judiciary's FSA program and the operation of private FSAs, CBO estimates that about 10 percent of federal employees will initially enroll in the plan, and we expect participation to grow to about 20 percent of federal employees over the next five years. Under the bill, administrative costs of operating the plans would be subject to appropriation of the necessary amounts. Based on the fees OPM plans to charge participants and expected employee participation rates, we estimate that implementing this provision of the bill would cost about $160 million over the 2004–2008 period.

Asbestos differential pay

Under section 1104, federal wage-grade employees would be subject to the same standards as general schedule employees when determining eligibility for environmental differential pay (EDP), based on exposure to asbestos. Under current law, general schedule employees are entitled to 8 percent hazard differential pay if they are exposed to asbestos that exceeds the permissible exposure limits established by the Occupational Safety and Health Administration (OSHA). The current EDP standard for wage-grade employees entitles them to the same 8 percent of pay, but does not set an objective measure for determining the level of asbestos exposure necessary to qualify for EDP. In several instances where wage-grade employees have sought back pay for EDP, arbitrators found in favor of the employees when asbestos levels were below those consistent with OSHA standards. Based on information from DoD on prior and pending arbitration rulings, CBO expects that implementing section 1104 would reduce the amount of back pay federal agencies would be required to pay for EDP based on asbestos exposure. Assuming these cases would be handled administratively, CBO estimates establishing OSHA standards for asbestos EDP would save $290 million in 2004 and about $1.5 billion over the 2004–2008 period, assuming appropriations are reduced by the estimated amounts.

Defense Health Program

Title VII contains a number of provisions that would affect DoD health care and benefits. TRICARE For Life (TFL) is a program that provides health care benefits to all retirees of the uniformed services, their dependents, and survivors who are eligible for Medicare and enroll in Medicare Part B. TFL provides a generous prescription drug benefit and covers all out-of-pocket costs for those benefits that are provided by both Medicare and TRICARE.

Uniformed Services Medicare-Eligible Retiree Healthcare Fund

Under current law, this fund provides the amounts necessary to pay for the TFL benefit. The fund is financed through monthly payments from DoD, annual amortization payments by the Treasury, and interest earned on the fund's current balances. The amount that DoD must pay into the fund is determined by the Secretary of Defense, who must use methods and assumptions approved by an independent board of actuaries to calculate the payment amount or rate. The payment rate is calculated using a number of factors including the probability that servicemembers currently on active duty will retire from military service. Under current law, the Secretary of Defense is not allowed to establish separate payment rates for each of the uniformed services, even though the overall probability of retiring from the Public Health Service (PHS) and the National Oceanic and Atmospheric Administration (NOAA) is higher than the probability of retiring from the Army, Navy, Air Force, or Coast Guard.

Section 701 would allow DoD to calculate separate payment rates for the different services if the Secretary determines that doing so improves the quality of the actuarial estimate. CBO estimates that implementing this provision would have no effect on payments to the fund in 2004 but would likely increase the payments PHS and NOAA make to the fund in 2005.

CBO estimates that implementing this provision would have no effect on payments into the fund in 2004 because the payment amounts have already been established and it appears unlikely that the independent board of actuaries would approve any change in assumptions and methods necessary to revise the amounts for that year for the proposed change in law. Although the payment amounts for 2005 may be determined before the enactment of this bill—the board approved the assumptions and methods on May 2, 2003, and the Secretary is expected to determine the rates shortly—CBO believes that the board would likely meet to approve the assumptions and methods necessary for the Secretary of Defense to set new payment rates if they were authorized. CBO expects that separate payment rates for NOAA and PHS would be higher than the rate currently set for fiscal year 2005 because the recommended rate does not presently incorporate information about the higher retirement probabilities for NOAA and PHS.

Using information from the respective organizations, CBO estimates that there are about 6,000 uniformed officers in the PHS and NOAA, with most in PHS. Based on data from DoD's Office of the Actuary, CBO estimates that implementing separate payment rates for PHS and NOAA would increase the payments these organizations must make to the fund in 2005 by almost $2,400 an offi-

cer or about $14 million, assuming appropriation of the estimated amounts.

CBO estimates there would be no change in the level of payments made by DoD or the Coast Guard because the current method for calculating the payment relies solely on DoD data.

CBO does not estimate an impact from having separate payment rates over the 2006–2008 period. The Secretary currently uses only DoD retirement experience to calculate the probability of retiring from the uniformed services, primarily because the fund initially only covered DoD beneficiaries. As data for the other uniformed services becomes available, CBO expects that, absent this provision, DoD would consider that new data when determining the single rate it would charge all of uniformed services for 2006 and subsequent years. Incorporating that data would likely raise the single rate charged to all services somewhat. CBO expects that using separate rates for each service as provided for in the bill would increase costs to PHS and NOAA each year, but would lower costs to DoD and the Coast Guard by approximately the same amount. Thus, total payments into the trust fund would not likely change much over the 2006–2008 period.

Medical and dental screening

Section 707 would allow DoD to provide medical and dental screening to members of the selected reserve who are assigned to units that have been alerted for mobilization. Under current law, DoD cannot provide this screening until the reservist has been mobilized. CBO does not expect that speeding up these evaluations would increase the overall amount of medical and dental screening DoD provides to reservists. Because this provision would allow DoD to provide some medical and dental screening earlier than it otherwise would, CBO estimates that implementing the authority would likely affect the timing of outlays but that the net effect would be insignificant.

Sources of supply

Several sections of Title VIII would require the Department of Defense to procure certain raw materials, parts, and components solely from sources within the United States. It also would require companies that produce major defense systems to use only U.S-manufactured machinery in the production of those systems. By restricting the sources of supply and imposing a new inventory management burden on defense contractors, CBO expects that implementing these provisions could increase the costs of supplies, parts, and overall weapons systems, and could increase the requirement for future appropriations. CBO has insufficient data to estimate the cost impact but we think it might be large given the number and complexity of weapon systems that DoD plans to develop and purchase over the 2004–2008 period.

Base realignment and closure (BRAC) property

Section 2805 would authorize DoD to convey to any nonfederal entity property at closed military installations or at military installations identified for closure. In exchange for that property, the recipient would be required to construct military facilities or family housing at another military installation or provide services associ-

ated with the construction of these facilities. Section 2805 would stipulate that projects received under the barter arrangement must be ones already authorized by the Congress and must be equal to the fair market value of the property conveyed. The provision also would direct each of the military services to use this authority to the maximum extent possible to convey at least 20 percent of the property that they plan to dispose of each year to obtain up to $200 million worth of military facilities and family housing projects each year.

Under current law, DoD has the authority to sell this property and spend the offsetting collections, without further appropriation, on environmental cleanup and caretaker expenses at installations that are being closed under previous BRAC authorities. CBO expects that, under section 2805, conveying these properties in exchange for military construction or family housing projects would eliminate a portion of the collections that would normally be used to offset BRAC cleanup expenses, thus increasing the requirement for discretionary appropriations to pay for these expenses.

Over the last 15 years, the Department of Defense has collected and spent about $30 million a year on average from the disposal of BRAC property. According to budget documents, the department plans to collect and spend $68 million in 2004 and $53 million in 2005 under these authorities. Assuming that DoD exchanges BRAC property as stipulated under section 2805, CBO estimates that implementing this provision would increase requirements for appropriated funds for environmental cleanup and caretaker expenses at closed installations by $68 million in 2004 and about $200 million over the 2004–2008 period.

Expanded commissary benefits for reservists

Section 651 would eliminate restrictions on commissary use by members of the ready reserve, retirees of the ready reserve who are less than 60 years of age, and their dependents. Currently, members of the ready reserve who meet their yearly training requirements and retirees of the ready reserve who are under the age of 60 are allowed to shop at a commissary 24 times a year. Members of the ready reserve who do not meet their yearly training requirements do not have commissary privileges.

Section 651 would eliminate these restrictions so that reservists in good standing and retirees of the ready reserve who are less than 60 years of age would have the same commissary privileges as active-duty servicemembers. Based on information from the Defense Commissary Agency, CBO estimates that reservists and reserve retirees who are currently allowed 24 commissary visits a year would not significantly alter their commissary usage if this restriction were lifted. Thus, CBO estimates would have no significant impact on the cost of operating defense commissaries if this restriction were lifted.

This section also would allow members in the ready reserve who do not meet the yearly training requirements to have commissary privileges, but their access would be subject to the policies established by the local base commander (similar to current policies in effect for the use of morale, welfare, and recreation facilities). CBO estimates about 87,000 reservists in the ready reserves who currently have no commissary privileges would be affected by this pro-

vision. Because most reservists do not live close to commissaries and would not use the benefit, CBO estimates the additional cost of operating the commissary system associated with these additional reservists would only be about $40 per person a year, or about $4 million each year over the 2004–2008 period.

Biomedical countermeasures

Three sections of the bill would address DoD's ability to protect the Armed Forces from biological, chemical, nuclear, and radiological threats by making it easier to use current authorities to research, develop, and procure biological countermeasures for these threats. Although these provisions could speed up or increase subject to appropriation spending, CBO does not have enough information to estimate the net effect on spending over the 2004–2008 period.

Section 1031 would increase the simplified acquisition threshold for procurement that supports biomedical research and development from $100,000 to $25 million. The section also would authorize DoD to use personal services contracts to employ up to 30 individuals for research and development and appoint up to 30 professional and technical employees without regard to certain sections of title 5, United States Code, that govern appointments in the competitive service, classification, and General Schedule pay rates. Section 1032 would allow DoD to procure biological countermeasures even if they had not yet been approved by the Food and Drug Administration (FDA), as long as the Secretary of Defense, in consultation with the Secretary of HHS, determines that the countermeasures have the potential to be licensed or approved by the FDA within five years. For 2004, section 1032 would authorize such sums as are available under DoD's general transfer authority to purchase these qualified countermeasures and for every year thereafter it would authorize such sums as may be necessary. Section 1033 would allow DoD to use biomedical countermeasures that are not licensed or approved by the FDA in an emergency setting if the Secretary of Defense, in consultation with the Secretary of HHS, determines that there is no adequate, approved, or alternative countermeasure available.

Assistance for victims of domestic violence

Section 572 would increase the length of time that a victim of domestic violence receives assistance from DoD. Under current law, the department provides transitional compensation to the spouse and any children of a servicemember who must separate from the military because of dependent-abuse offenses. The amount of the compensation is linked to the dependent and indemnity compensation benefit provided by the Department of Veterans Affairs (VA) and is paid for 36 months or the remainder of the unserved portion of the servicemember's military obligation, whichever is shorter. According to DoD, families of enlisted servicemembers often receive less than 36 months of compensation. Section 572 would allow for all recipients of transitional compensation to receive it for the full 36-month period. Based on information from DoD indicating that the majority of recipients receive the benefit for 24 months on average and that the total amount of transitional compensation paid in

fiscal year 2000 was less than $6 million, CBO estimates implementing this section would cost about $2 million per year.

Section 571 would require DoD to pay to move a spouse and any dependent children who have been abused by a servicemember if the victim's safety is at risk. Costs would include travel costs for the family and transportation of household goods and a vehicle. Based on information about the amount of transitional compensation paid in fiscal year 2000 and the average benefit amount for that year, CBO estimates that about 400 spouses receive assistance each year for being victims of domestic violence. Using the average cost to move a servicemember with dependents (about $2,000 in 2004), CBO estimates that implementing this section would cost about $1 million per year.

Chaplain-led family support programs

Section 564 would expand and permanently extend chaplain-led programs to assist servicemembers in building and maintaining strong families. Under authority provided in Public Law 107–248, DoD may use appropriated funds to pay for transportation, food, lodging, supplies, fees, and training materials for servicemembers and their family members who participate in such programs. The authority expires at the end of fiscal year 2003. The bill would make these programs permanent and also would include the cost of child care as an eligible expense. Based on information from DoD, CBO estimates that the Army would expand its program from the current level of about $1 million (serving 48 brigades) to about $6 million a year by 2006 (serving 144 brigades). The Navy- and Air Force-sponsored family support programs pre-date Public Law 107–248. The Navy currently spends roughly $1 million a year on family support programs and the Air Force spends less than $500,000 annually. Neither branch has any immediate plans to use the new authority provided in the bill, but if they were to do so, there would be modest additional costs.

Wetland crossings at Camp Shelby

Section 320 would authorize the Army to use operation and maintenance funds to construct water crossings for use by armored vehicles at Camp Shelby, Mississippi, to protect wetland areas located there. Based on information from the Army National Guard, CBO estimates it would cost about $5 million in 2004 to construct these crossings. According to the Army National Guard, the construction in 2004 would likely constitute the first phase of a potentially larger project which would require further Congressional authorization.

Services acquisition reform

Title XIV contains sections that address service acquisition reform; some of which have cost. Section 1412 would authorize the establishment of an Acquisition Workforce Training Fund. Under the bill, 5 percent of the fees collected by the General Services Administration (GSA) from other, nondefense agencies that procure goods and services through GSA's governmentwide contracts would be deposited in the new fund. GSA generates most of those fees by charging other federal agencies approximately 1 percent of the cost of purchases made through GSA's contracts for supply schedule

services and data processing. That fee is designed to recover administrative costs incurred by GSA. In 2002, GSA collected $88 million in fees from agencies other than the Department of Defense. Thus, CBO estimates that this provision would authorize GSA to charge agencies a fee sufficient to establish a $5 million Acquisition Workforce Training Fund each year, as well as continuing to cover the administrative costs of GSA's contracting programs.

Other provisions in Title XIV would establish a new advisory panel to review procurement policies, a Chief Acquisition Officers Council, and a center of excellence in the Office of Federal Procurement Policy; would require GSA, the Office of Personnel Management, and the Office of Management and Budget to issue implementing regulations; and would require the General Accounting Office to prepare certain studies on procurement issues. In total, CBO estimates that implementing these provisions would cost $1 million annually over the 2004–2008 period.

Funding for special compensation for disabled retirees of the uniformed services

Under current law, veterans who retire from the military, the Coast Guard, PHS, or NOAA cannot receive both full retirement annuities and disability compensation from the VA. To receive the non-taxable veterans' compensation benefit, retirees must forgo an equal amount of their taxable retirement annuity. Allowing the receipt of both benefits is often referred to as "concurrent receipt." Two programs currently offer special benefits to retirees who are affected by the ban on concurrent receipt.

The first is a program of special compensation for severely disabled retirees of the uniformed services that pays a monthly stipend to certain retirees who are rated by VA as 60 percent or more disabled. The second program, scheduled to begin June 1, 2003, will pay a monthly benefit to retirees who receive disability compensation from VA for the injury for which they were awarded a Purple Heart or have certain combat- or training-related disabilities for which they receive compensation from VA. The benefit will equal the amount of retirement annuity forgone as a result of the ban on concurrent receipt. CBO estimates these programs will together pay military retirees about $300 million in 2004, and $2.8 billion over the 2004–2008 period. Such payments for both programs are currently made from DoD's military personnel accounts. Under section 641, payments under these programs would become a liability of the Military Retirement Fund.

The military retirement system is financed in part by an annual payment from appropriated funds to the Military Retirement Fund, based on an estimate of the system's accruing liabilities. If these special compensation payments were to become a liability of the Military Retirement Fund, DoD's yearly contribution to the fund (paid from the military personal accounts) would normally increase to reflect the added liability from the expected increase in payments to future retirees. This increase—or accrual payment—would recognize the additional costs of deferred compensation in the years during which servicemembers are working, rather than when the benefits are actually paid. Accrual budgeting provides decisionmakers with more complete information about the full costs of labor and provides incentives to use labor cost-effectively.

Under section 641, however, the incremental increase in the accrual payment would be paid by the Secretary of the Treasury and, therefore, not recognized in DoD's budget. Using information from DoD, CBO estimates that the accrual payment from the Treasury would be $100 million in 2004, and total about $930 million over the 2004–2008 period.

Fast ships

Section 1014 would authorize the appropriation of $40 million to the Secretary of the Navy to pay the subsidy costs of guaranteeing a loan to construct two high-speed ships in a U.S. shipyard. Under the bill the Secretary would be authorized to issue a 25-year guarantee that would cover up to 87.5 percent of the principal of the loan. CBO expects that construction and related acquisition costs for this project would be around $1 billion. Based on information provided by the Maritime Administration (MARAD) and potential participants in this project, CBO expects that construction would involve a very high subsidy cost because of the expense of the project as well the market and financial uncertainties inherent in the proposal. As a result, we estimate that the $40 million amounts made available under the bill and about $34 million previously appropriated to the Navy for this purpose would be sufficient to guarantee only a portion of the project's full costs. CBO estimates that the subsidy costs for guaranteeing 87.5 percent of the entire project would require appropriations of more than $100 million.

Maritime administration

Title XXXV would authorize appropriations for programs carried out within the Department of Transportation by MARAD (see Table 4).

Subtitle B of title XXXV would reauthorize and amend the maritime security program beginning in fiscal year 2006. This program, which expires at the end of fiscal year 2005, provides operating subsidies to owners or operators of U.S. flag vessels carrying cargo between the United States and foreign ports. In exchange, eligible vessel owners or operators agree to keep their ships in the U.S. flag fleet and make them available to DoD when needed for national security purposes.

Subtitle C would expand the maritime security program from the current 47 ships to 60 ships, including up to five tankers. The annual subsidy payment also would increase from its present $2.1 million per ship to $2.6 million per ship for each of fiscal years 2006 and 2007, and to whatever amounts the Secretary of Transportation deems necessary for each ensuing year that a vessel remains in the program. For these payments, the bill would authorize the appropriation of $156 million for each of fiscal years 2006 and 2007 and whatever sums are necessary for each thereafter through 2015 for these programs.

Subtitle C also would authorize, after fiscal year 2004, the appropriation of $250 million to subsidize the cost of constructing five commercial product tankers in a U.S. shipyard. The tankers would operate as U.S. flag vessels in the U.S.-foreign trade and would be available to DoD for national defense purposes upon request.

Subtitle D would authorize appropriations for fiscal year 2004 for routine MARAD activities, including $104 million for operations

and training, $39 million for loan guarantees and associated administrative expenses under Title XI of the Merchant Marine Act, 1936, and $20 million for disposal of obsolete ships in the national defense reserve fleet. (The $39 million for the Title XI program is not shown in Table 4 because such costs are already authorized under the 1936 act and do not require annual authorization.)

TABLE 4.—SPECIFIC AUTHORIZATIONS OF APPROPRIATIONS FOR THE MARITIME ADMINISTRATION IN H.R. 1588

	By fiscal year, in millions of dollars—					
	2003	2004	2005	2006	2007	2008
Current Law Authorization for the Maritime Administration:						
Authorization Levels [a, b]	201	100	100	0	0	0
Estimated Outlays	195	120	105	0	0	0
Proposed Changes						
Maritime Security Program:						
Estimated Authorization Levels	0	0	0	156	156	161
Estimated Outlays	0	0	0	143	156	160
Tanker Construction:						
Authorization Level	0	0	0	250	0	0
Estimated Outlays	0	0	0	63	63	63
Regular MARAD Authorization:						
Authorization Level	0	124	0	0	0	0
Estimated Outlays	0	99	20	5	0	0
Subtotal, Proposed Changes [c]:						
Estimated Authorization Levels	0	124	0	406	156	161
Estimated Outlays	0	99	20	211	219	223
Authorizations Under H.R. 1588 for the Maritime Administration:						
Authorization Levels [a]	201	224	100	406	156	161
Estimated Outlays	195	219	125	211	219	223

[a] The level for 2003 is the amount currently appropriated for programs authorized by the bill; that amount is also contained in Table 1.
[b] The levels for 2004 and 2005 are authorizations of appropriations in current law for the Maritime Security Program. These amounts are contained in Tables 1 and 2.

Direct Spending

The bill contains provisions that would increase direct spending, primarily by increasing the amount that DoD can spend to finance special authorities for the construction and renovation of military family housing. We estimate that the increase in direct spending (excluding asset sales) resulting from provisions of H.R. 1588 would total $440 million over the 2004–2008 period and $486 million over the 2004–2013 period (see Table 5).

TABLE 5.—ESTIMATED DIRECT SPENDING FROM MILITARY HOUSING PRIVATIZATION AUTHORITIES AND OTHER PROVISIONS IN H.R. 1588

	By fiscal year, in millions of dollars—					
	2003	2004	2005	2006	2007	2008
CHANGES IN DIRECT SPENDING (EXCLUDING ASSET SALES)						
Military Housing Privatization Initiative:						
Estimated Budget Authority	0	120	290	0	0	0
Estimated Outlays	0	15	85	151	91	35
Recovery of Funds from Sale of Nonappropriated Fund Facilities:						
Estimated Budget Authority	0	51	6	6	6	1
Estimated Outlays	0	8	14	18	12	9
Reduction in Time-in-Grade for Retirement:						
Estimated Budget Authority	0	*	*	*	1	1

TABLE 5.—ESTIMATED DIRECT SPENDING FROM MILITARY HOUSING PRIVATIZATION AUTHORITIES AND OTHER PROVISIONS IN H.R. 1588—Continued

	By fiscal year, in millions of dollars—					
	2003	2004	2005	2006	2007	2008
Estimated Outlays	0	*	*	*	1	1
Subtotal:						
Estimated Budget Authority	0	171	296	6	7	2
Estimated Outlays	0	23	99	169	104	45
ASSET SALES [a]						
National Defense Stockpile:						
Estimated Budget Authority	0	-15	-5	0	0	0
Estimated Outlays	0	-15	-5	0	0	0
TOTAL CHANGES IN DIRECT SPENDING						
Estimated Budget Authority	0	156	291	6	7	2
Estimated Outlays	0	8	94	169	104	45

* = less than $500,000.
[a] Asset sale receipts are a credit against direct spending.

Military Housing Privatization Initiative (MHPI)

Section 2803 would raise the statutory limit on the amount that DoD can invest in projects to build or renovate military family housing. DoD is authorized to use direct loans, loan guarantees, long-term outleases, rental guarantees, barter, direct government investment, and other financial arrangements to encourage private-sector participation in building military housing. Funding for those activities comes from the Family Housing Improvement Fund, which is financed by appropriations made to the fund, transfers from other accounts, receipts from property sales and rents, returns on any capital, and other income from operations or transactions connected with the program.

Currently the amounts in the fund are available for use by DoD to acquire housing using the various techniques mentioned above, but the total value of commitments for all contracts and investments undertaken is limited to $1 billion ($850 million for family housing and $150 million for unaccompanied housing). Under the bill, the limit for family housing would increase to $900 million. CBO estimates that enacting section 2803 would increase direct spending by $377 million over the 2004–2008 period and by $409 million over the 2004–2013 period.

Governmentwide Accounting Principles. Most of DoD's housing projects under the MHPI authority have involved private-sector financing that is backed by various kinds of government commitments. Some of these commitments may have the characteristics of a capital lease or lease-purchase, others may be public-private partnerships with substantial government control. According to standard principles of federal accounting, obligations of the Family Housing Improvement Fund should reflect the full amount of the financial liability incurred when the government makes such a commitment. In the case of a capital lease, for example, obligations equal to the asset cost should be recorded up front and an amount equal to the interest costs should be recorded on an annual basis over the life of the lease term. Outlays should be recorded over the lease term in an amount equal to the annual lease payments. For commitments that take the form of a lease-purchase, obligations

are recorded in the same manner as a capital lease, but outlays should be recorded over the period it takes to construct the asset. In CBO's view, most ventures that borrow private funds to construct or refurbish military family housing should be treated as governmental and their investments should be recorded up front, equivalent to borrowing authority—a form of budget authority. Amounts expended by these public-private arrangements should be recorded in the budget as outlays at the time they occur.

To date, the Office of Management and Budget (OMB) has primarily treated DoD's use of these authorities as transactions that have relatively little estimated cost in terms of the obligations and outlays recorded in the federal budget, allowing DoD to obligate the government for significantly more than it records in its budget. In effect, the Administration's accounting enables DoD to record the costs of the projects incrementally over time rather than up front. CBO continues to believe that OMB's accounting practices for MHPI projects are at odds with governmentwide standards. Although the contractual terms vary from project to project, CBO considers most MHPI projects to be governmental undertakings, the purpose of which is to finance and manage the acquisition, construction, or renovation of a government asset, specifically, family housing for military personnel. There are several factors that support treating these arrangements as governmental. For instance, most of the housing constructed or renovated under this authority is on government property. Many deals include government guarantees against base closure. In some instances, rental payments are made to the property manager directly by the government. Likewise, in most deals, title to the property vests with the government at the end of the contract. In the case of public-private partnerships, the debt of the entity is implicitly or explicitly backed by the federal government. Following standard principles of federal accounting, CBO believes the MHPI program should reflect the full amount of the financial liability incurred at the time the government makes such commitments.

For the last few years, CBO has stated that DoD was obligating the government for significantly more than it was recording. After consultation with the Committees on the Budget in both the House and the Senate, CBO has decided to show the full cost of MHPI projects up front in our cost estimates for legislation related to such projects. Thus, expansion or extension of this authority is counted as direct spending in this estimate, since it would allow DoD to obligate the government without appropriations for the full amount of those obligations in advance.

Cost of Activities Under Current Law. To date, DoD has signed contracts for 18 family housing projects and is proceeding with solicitations for or considering plans for close to 60 other projects over the next few years. According to OMB's accounting method, DoD has only recorded obligations of about $300 million—well below the current $850 million limit. Given DoD's plans for future projects, it estimates that it could reach the $850 million limit as early as the end of 2004. However, CBO estimates that the full amount of DoD's commitments to date exceeds $2 billion. Using the current method of accounting for only the initial investment costs of these projects, DoD could acquire or modify approximately 60,000 more units and record only $550 million in obligations. CBO

estimates that the true cost of these additional projects, which could be awarded under the current investment cap, would total approximately $4.5 billion dollars. Since DoD can pursue these projects without additional legislative authority, their costs are not counted against this bill.

Cost of Activities Under the Increased Limitation. Section 2803 would increase the limit on total investment in family housing projects by $50 million to $900 million, allowing DoD to pursue MHPI projects after it exhausts the authority in current law. Given OMB's accounting practice of recording only the initial investment, CBO assumes that DoD would be allowed to commit the government for much more than the additional $50 million provided. Since DoD could enter into these obligations without further appropriations for the full amount of the obligation, CBO estimates that the additional $50 million investment authority provided in this section would allow DoD to acquire or modify almost 5,500 additional housing units, obligating the government for an additional $410 million. Thus, CBO estimates that these obligations would increase outlays by $15 million in 2004 and by $410 million over the 2004–2013 period.

Recovery of Funds Due to Sale of Nonappropriated Fund Facilities

Section 655 would allow DoD to spend (without further appropriation) collections from the sale or lease of commissary or nonappropriated fund assets that have been closed under Base Realignment and Closure. The collections are currently deposited into a reserve account established by the Defense Base Closure and Realignment Act of 1988 and, under current law, cannot be spent without further appropriation. Based on information from the Department of Defense, CBO estimates that there will be $51 million in the reserve account at the beginning of fiscal year 2004, and that the reserve account will gain an additional $19 million in collections through 2008. Based on information from DoD, CBO expects that the funds in the account would be used primarily for facility improvements and construction. Using historical outlay patterns, CBO estimates that, under section 655, outlays from the fund would total $8 million in 2004 and $70 million over the 2004–2013 period.

Section 3005 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) authorized expenditures from the reserve account for base closures that are schedules to occur after 2005. Therefore, enacting this section would have no impact on collections from the sale of commissaries or nonappropriated fund facilities in future base closure rounds.

Reduction of Time-in-Grade for Retirement

Section 513 would reduce, from three years to one year, the length of time senior officers must serve in a grade before being allowed to retire in that grade. Based on information from DoD, CBO estimates that reducing the time-in-grade requirement would cause about 15 officers in the ranks O–7 to O–10 to retire one grade higher than they normally would otherwise. CBO estimates that enacting this measure would cost less than $500,000 in 2004, $2 million over the 2004–2008 period, and $7 million over the 2004–2013 period.

Land Conveyance and Other Property Transactions

Title XXVIII would authorize a variety of property transactions involving both large and small parcels of land. CBO estimates that implementing these provisions would not result in significant costs to the federal government because they would authorize DoD to receive fair market value for the property to be conveyed, to exchange one piece of property for another, or to convey land that under current law is unlikely to be declared excess and sold or is likely to be given away.

Other Provisions. The following provisions would have an insignificant budgetary impact on direct spending:

Section 545 would instruct DoD to assist former prisoners of war in obtaining information to support their applications for the award of the Purple Heart. Purple Heart recipients are eligible to have their retirement annuities increased by any amount currently withheld to offset their receipt of veterans disability compensation, to the extent that disability pay is related to the injury for which they received the Purple Heart. Thus, if this measure increased the number of Purple Heart recipients, it could potentially increase retirement outlays. However, since this measure does not change the criteria for eligibility for the Purple Heart award, CBO assumes that at most a few additional Purple Hearts would be awarded if it were to be enacted, and that any additional retirement outlays would be negligible.

Section 651 would eliminate restrictions on commissary use by members of the ready reserve, retirees of the ready reserve who are less than 60 years of age, and their dependents. CBO estimates enactment of this provision would increase commissary sales, which are deposited into the commissary revolving fund and used to replenish commissary stock. Commissaries also charge a 5 percent surcharge on all sales which is credited to the commissary surcharge account. Funds in the commissary surcharge account are used to renovate and construct commissary facilities and can be collected and spent without appropriation. CBO estimates the net result of the collection and expenditure of these proceeds would be insignificant.

Sections 801 and 1451 would extend and expand authority for government agencies to provide services to nongovernmental organizations and enter into nonconventional cooperative agreements with private contractors for research into advanced weapons systems and homeland security. These agreements would include the authority for the government agencies to collect and spend reimbursements for any services rendered. While outlays would lag behind receipts, CBO does not have enough information to estimate the net outlay effects in any specific year.

Section 903 would allow the Secretary of Defense to carry out a three-year pilot program to determine the feasibility of providing satellite tracking services with DoD assets to non-U.S. government entities. Under such a pilot program, DoD would be allowed to charge fees for these services and spend these payments. According to the Air Force, the proceeds from selling these services would likely be insignificant. CBO estimates that implementing this provision would have no net effect on direct spending because it would allow DoD to spend any payments that it collects.

Section 906 would allow the Asia-Pacific Center for Security Studies to accept and spend gifts from U.S. sources, similar to the authority they have to accept gifts from foreign sources. Based on information from DoD, CBO estimates any gifts received under this section would be less than $500,000 annually. (Gifts and donations are recorded in the budget as revenues.)

Section 1012 would allow the Navy to spend the proceeds received from selling the materials and equipment stripped from naval vessels that are to be used for experimental purposes. Under current law, the Navy may only recover their costs from such activities and any receipts in excess of those costs are required to be deposited into the general fund of the Treasury. The Navy has not deposited any excess funds into the general fund from these activities in recent years. Section 1012 also would allow the Navy to use contractors to sell this material and equipment. Based on information from the Navy, CBO estimates that receipts from the expanded authority would likely total less than $500,000 a year. Enacting this provision would have no net effect on direct spending, however, because it would allow the Navy to spend any payments it collects.

Section 1046 would allow the National Security Agency (NSA) to contract for living quarters for co-op students, and would allow the NSA to charge the students for this service and credit the proceeds to appropriated accounts. CBO estimates the net result of the collection and expenditure of these proceeds would be insignificant.

Asset Sales

Section 3302 would increase by $20 million the targets contained in the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) for sales from the National Defense Stockpile through 2009. CBO estimates that there will be sufficient quantities of materials in the stockpile to achieve $15 million in receipts in 2004 and the remaining $5 million in receipts in 2005.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

Title XI would authorize the Secretary to appoint older Americans into positions in the excepted service, and—notwithstanding any other provision of law—protect any other retirement benefits they may be receiving from being reduced as a result of that appointment. To the extent that under current law retirement benefits provided by state, local, or tribal governments might be reduced for a beneficiary hired by the Secretary, enacting this provision would prohibit such reductions and thereby impose an intergovernmental mandate as defined in UMRA. However, according to the National Association of State Retirement Administrators, few if any jurisdictions require such benefit reductions under current law. Therefore, CBO estimates that any costs to state, local, or tribal governments from the mandate would be insignificant and would not exceed the threshold established in UMRA ($59 million in 2003, adjusted for inflation).

Other provisions in H.R. 1588 contain no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

PREVIOUS CBO ESTIMATES

On May 12, 2003, CBO transmitted a cost estimate for H.R. 1497, the Sikes Act Reauthorization Act of 2003, as ordered reported by the House Committee on Resources on May 7, 2003. Both H.R. 1497 and section 311 of H.R. 1588 would authorize the appropriation of up to $4.5 million a year over the 2004–2008 period for DoD and the U.S. Fish and Wildlife Service to develop and implement plans to manage natural resources on certain military lands.

On May 14, 2003, CBO transmitted a cost estimate for H.R. 1837, the Services Acquisition Reform Act of 2003, as ordered reported by the House Committee on Government Reform on May 8, 2003. Both bills would authorize the establishment of an Acquisition Workforce Training Fund; would establish a new advisory panel to review procurement policies, a Chief Acquisition Officers Council, and a center of excellence in the Office of Federal Procurement Policy; would require GSA, the Office of Personnel Management, and the Office of Management and Budget to issue implementing regulations; and would require the General Accounting Office to prepare certain studies on procurement issues. The difference in the other estimated costs reflect differences in the legislation.

On May 15, 2003, CBO transmitted a cost estimate for H.R. 1836, the Civil Service and National Security Personnel Improvement Act of 2003, as ordered reported by the House Committee on Government Reform on May 8, 2003. Sections 1111, 1101, 1104, 1107, and 1108 of H.R. 1588 are identical to sections 102, 201, 204, 209, and 211 of H.R. 1836, as are the cost estimates.

Estimate Prepared by: Federal Costs: Defense Outlays: Kent Christensen. Military Construction: David Newman. Military and Civilian Personnel: Michelle Patterson and Sunita D'Monte, and Ellen Hayes. Military Training: Sarah T. Jennings. Health Programs: Sam Papenfuss. Multiyear Procurement: David Newman and Raymond Hall. Maritime Administration: Deborah Reis. Stockpile Sales: Raymond Hall. Operation and Maintenance: Matthew Schmit. Services Acquisition Reform: Matthew Pickford. Impact on State, Local, and Tribal Governments: Victoria Heid Hall. Impact on the Private Sector: Allison Percy.

Estimate Approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

COMMITTEE COST ESTIMATE

Pursuant to clause 3(d) of rule XIII of the Rules of the House of Representatives, the committee generally concurs with the estimates as contained in the report of the Congressional Budget Office.

OVERSIGHT FINDINGS

With respect to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, this legislation results from hearings and other oversight activities conducted by the committee pursuant to clause 2(b)(1) of rule X.

With respect to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this legislation does not include any new

spending or credit authority, nor does it provide for any increase or decrease in tax revenues or expenditures. The bill does, however, authorize appropriations. Other fiscal features of this legislation are addressed in the estimate prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

With respect to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the committee has not received a report from the Committee on Government Reform and Oversight pertaining to the subject matter of H.R. 1588.

GENERAL PERFORMANCE GOALS AND OBJECTIVES

With respect to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, this legislation would address several general and outcome-related performance goals and objectives. The general goal and objective of this legislation is to improve the quality of life for military personnel and their families, military readiness, the modernization and eventual transformation of the armed forces, to enhance the development of ballistic missile defenses, and to improve the condition of military housing and facilities.

With respect to the outcome-related goal of improving the quality of life for military personnel and their families, the objective of this legislation is to:

(1) Add 6,240 personnel, enabling the military services to begin meeting long-standing manpower shortages, as well as new manning requirements;

(2) Provide every military service member an average pay raise of 4.1 percent and up to 6.25 percent for targeted raises effective January 1, 2004; and

(3) Reduce out-of-pocket housing costs for military personnel to less than 3.5 percent during fiscal year 2004.

With respect to the outcome-related goal of improving military readiness, the objective of this legislation is to:

(1) Increase funding for key readiness accounts by approximately $3.7 billion above the fiscal year 2003 level; and

(2) Satisfy approximately $1.1 billion of the service chiefs' unfunded readiness requirements.

With respect to the outcome-related goal of improving the modernization and eventual transformation of the armed forces and enhancing the development of ballistic missile defenses, the objective of this legislation is to:

(1) Increase funding for military procurement accounts by $2.25 billion;

(2) Satisfy approximately $1.5 billion of the unfunded procurement and research and development requirements identified by the service chiefs; and

(3) Increase funding for military research and development accounts by $200.0 million.

With respect to the outcome-related goal of improving military housing and facilities, the objective of this legislation is to:

(1) Provide $9.8 billion for military construction and military family housing programs; and

(2) Provide several enhancements to the authority provided by current law to privatize military housing that will

provide the military services more flexibility to procure adequate military family housing.

With respect to the outcome-related goal of increasing homeland and troop defenses against terrorist and ballistic missile attacks, the objective of this legislation is to:

(1) Increase the President's request of $9.8 billion for combating terrorism by $202 million; and

(2) Support the approach of the President's ballistic missile defense program and to match the Administration's funding request of $9.1 billion.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to rule XIII, clause 3(d)(1) of the Rules of the House of Representatives, the committee finds the authority for this legislation in Article I, Section 8 of the United States Constitution.

STATEMENT OF FEDERAL MANDATES

Pursuant to section 423 of Public Law 104–4, this legislation contains no federal mandates with respect to state, local, and tribal governments, nor with respect to the private sector. Similarly, the bill provides no federal intergovernmental mandates.

RECORD VOTES

In accordance with clause 3(b) of rule XIII of the Rules of the House of Representatives, record and voice votes were taken with respect to the committee's consideration of H.R. 1588. The record of these votes is attached to this report.

The committee ordered H.R. 1588 reported to the House with a favorable recommendation by a vote of 58–2, a quorum being present.

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Motion to Close **Date: 05/13/03**

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter	X			Mr. Skelton	X		
Mr. Weldon	X			Mr. Spratt	X		
Mr. Hefley	X			Mr. Ortiz	X		
Mr. Saxton	X			Mr. Evans	X		
Mr. McHugh	X			Mr. Taylor	X		
Mr. Everett	X			Mr. Abercrombie	X		
Mr. Bartlett	X			Mr. Meehan	X		
Mr. McKeon	X			Mr. Reyes			
Mr. Thornberry	X			Dr. Snyder	X		
Mr. Hostettler	X			Mr. Turner (TX)			
Mr. Jones	X			Mr. Smith			
Mr. Ryun (KS)				Ms. Sanchez	X		
Mr. Gibbons	X			Mr. McIntyre	X		
Mr. Hayes	X			Mr. Rodriguez	X		
Mrs. Wilson (NM)	X			Ms. Tauscher	X		
Mr. Calvert	X			Mr. Brady	X		
Mr. Simmons	X			Mr. Hill	X		
Mrs. Davis (VA)	X			Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin	X			Mr. Langevin	X		
Mr. Forbes				Mr. Israel	X		
Mr. Miller (FL)	X			Mr. Larsen (WA)	X		
Mr. Wilson (SC)	X			Mr. Cooper	X		
Mr. LoBiondo	X			Mr. Marshall	X		
Mr. Cole	X			Mr. Meek	X		
Mr. Bradley	X			Ms. Bordallo			
Mr. Bishop	X			Mr. Alexander	X		
Mr. Turner (OH)	X			Mr. Ryan (OH)	X		
Mr. Kline	X						
Mrs. Miller (MI)	X						
Dr. Gingrey	X						
Mr. Rogers	X						
Mr. Franks	X						

Roll Call Vote Total:

54 Aye **0 Nay** **Present**

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 21 **Date:** 05/13/03

Description: Strike All General Officer Provisions **Offered by:** Tauscher

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith			
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons	X			Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)	X			Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes				Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline	X						
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

30 Aye 28 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 28 **Date:** 05/13/03

Description: RNEP/Advanced Concepts Funding Shift **Offered by:** Tauscher

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley	X			Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)			
Mr. Jones				Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes				Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

28 Aye 29 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 26 **Date:** 05/13/03

Description: No New Nuclear Weapons Development **Offered by:** Tauscher

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley	X			Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez			
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes				Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall		X	
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

27 Aye 31 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 76 **Date:** 05/13/03

Description: Underground Nuclear Testing **Offered by:** Spratt

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes				Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall		X	
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

27 Aye 32 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 73 **Date:** 05/13/03
Description: Mobilized Reservists **Offered by:** Sanchez

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder		X	
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes				Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

27 Aye 32 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 62 **Date:** 05/13/03
Description: Sikes Act **Offered by:** Davis (CA)

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz		X	
Mr. Saxton		X		Mr. Evans		X	
Mr. McHugh		X		Mr. Taylor			
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes		X	
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes				Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall		X	
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

23 Aye 35 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 78 **Date:** 05/13/03

Description: Hunter 78 as Amended by Hefley 82 **Offered by:** Hunter

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter	X			Mr. Skelton	X		
Mr. Weldon	X			Mr. Spratt		X	
Mr. Hefley	X			Mr. Ortiz		X	
Mr. Saxton	X			Mr. Evans		X	
Mr. McHugh	X			Mr. Taylor		X	
Mr. Everett	X			Mr. Abercrombie		X	
Mr. Bartlett	X			Mr. Meehan	X		
Mr. McKeon	X			Mr. Reyes		X	
Mr. Thornberry	X			Dr. Snyder	X		
Mr. Hostettler	X			Mr. Turner (TX)		X	
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)	X			Ms. Sanchez	X		
Mr. Gibbons	X			Mr. McIntyre		X	
Mr. Hayes	X			Mr. Rodriguez		X	
Mrs. Wilson (NM)		X		Ms. Tauscher		X	
Mr. Calvert	X			Mr. Brady		X	
Mr. Simmons	X			Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)		X	
Mr. Schrock				Ms. Davis (CA)		X	
Mr. Akin	X			Mr. Langevin	X		
Mr. Forbes				Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)		X	
Mr. Wilson (SC)	X			Mr. Cooper			X
Mr. LoBiondo	X			Mr. Marshall		X	
Mr. Cole	X			Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo		X	
Mr. Bishop	X			Mr. Alexander	X		
Mr. Turner (OH)	X			Mr. Ryan (OH)		X	
Mr. Kline	X						
Mrs. Miller (MI)	X						
Dr. Gingrey	X						
Mr. Rogers		X					
Mr. Franks	X						

Roll Call Vote Total:

35 Aye 23 Nay 1 Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 107 **Date:** 05/13/03

Description: Two year BRAC delay **Offered by:** Taylor

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton		X	
Mr. Weldon		X		Mr. Spratt		X	
Mr. Hefley	X			Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan		X	
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder		X	
Mr. Hostettler	X			Mr. Turner (TX)	X		
Mr. Jones	X			Mr. Smith		X	
Mr. Ryun (KS)		X		Ms. Sanchez		X	
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)	X			Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)	X			Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin		X	
Mr. Forbes				Mr. Israel			
Mr. Miller (FL)	X			Mr. Larsen (WA)		X	
Mr. Wilson (SC)		X		Mr. Cooper		X	
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek		X	
Mr. Bradley	X			Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers	X						
Mr. Franks		X					

Roll Call Vote Total:

25 Aye 33 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 96 **Date:** 05/14/03

Description: Nuclear Policy Commission **Offered by:** Weldon

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter	X			Mr. Skelton		X	
Mr. Weldon	X			Mr. Spratt		X	
Mr. Hefley	X			Mr. Ortiz	X		
Mr. Saxton	X			Mr. Evans	X		
Mr. McHugh	X			Mr. Taylor	X		
Mr. Everett			X	Mr. Abercrombie	X		
Mr. Bartlett	X			Mr. Meehan	X		
Mr. McKeon	X			Mr. Reyes	X		
Mr. Thornberry	X			Dr. Snyder		X	
Mr. Hostettler	X			Mr. Turner (TX)	X		
Mr. Jones				Mr. Smith	X		
Mr. Ryun (KS)	X			Ms. Sanchez		X	
Mr. Gibbons	X			Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert				Mr. Brady	X		
Mr. Simmons	X			Mr. Hill			
Mrs. Davis (VA)	X			Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin	X			Mr. Langevin	X		
Mr. Forbes				Mr. Israel			
Mr. Miller (FL)	X			Mr. Larsen (WA)	X		
Mr. Wilson (SC)	X			Mr. Cooper		X	
Mr. LoBiondo	X			Mr. Marshall	X		
Mr. Cole	X			Mr. Meek		X	
Mr. Bradley	X			Ms. Bordallo	X		
Mr. Bishop	X			Mr. Alexander	X		
Mr. Turner (OH)	X			Mr. Ryan (OH)		X	
Mr. Kline	X						
Mrs. Miller (MI)							
Dr. Gingrey							
Mr. Rogers	X						
Mr. Franks	X						

Roll Call Vote Total:

43 Aye 9 Nay 1 Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 40 **Date:** 05/14/03

Description: Transfer Funds from Strategic to CW **Offered by:** Spratt

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon				Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

28 Aye 31 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 25 **Date:** 05/14/03

Description: Strike DOS from Sec. 1305 **Offered by:** Tauscher

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon				Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry	X			Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

29 Aye 30 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 31 **Date:** 05/14/03

Description: Snyder DSB/DSP Standards **Offered by:** Snyder

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon				Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry	X			Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

29 Aye 30 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 105 **Date:** 05/14/03

Description: Conditions on Counterdrug Expansion in Colombia **Offered by:** Taylor

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon				Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett			X	Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder		X	
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith		X	
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher		X	
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall		X	
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

24 Aye 34 Nay 1 Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 108 **Date:** 05/14/03
Description: Hunter 108 to Taylor 104 **Offered by:** Hunter

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter	X			Mr. Skelton		X	
Mr. Weldon	X			Mr. Spratt		X	
Mr. Hefley	X			Mr. Ortiz		X	
Mr. Saxton	X			Mr. Evans		X	
Mr. McHugh	X			Mr. Taylor		X	
Mr. Everett	X			Mr. Abercrombie		X	
Mr. Bartlett	X			Mr. Meehan		X	
Mr. McKeon	X			Mr. Reyes		X	
Mr. Thornberry	X			Dr. Snyder		X	
Mr. Hostettler	X			Mr. Turner (TX)		X	
Mr. Jones	X			Mr. Smith		X	
Mr. Ryun (KS)	X			Ms. Sanchez		X	
Mr. Gibbons	X			Mr. McIntyre		X	
Mr. Hayes	X			Mr. Rodriguez		X	
Mrs. Wilson (NM)	X			Ms. Tauscher		X	
Mr. Calvert	X			Mr. Brady		X	
Mr. Simmons	X			Mr. Hill		X	
Mrs. Davis (VA)	X			Mr. Larson (CT)		X	
Mr. Schrock				Ms. Davis (CA)		X	
Mr. Akin	X			Mr. Langevin		X	
Mr. Forbes	X			Mr. Israel		X	
Mr. Miller (FL)	X			Mr. Larsen (WA)		X	
Mr. Wilson (SC)	X			Mr. Cooper		X	
Mr. LoBiondo	X			Mr. Marshall		X	
Mr. Cole	X			Mr. Meek		X	
Mr. Bradley	X			Ms. Bordallo		X	
Mr. Bishop	X			Mr. Alexander		X	
Mr. Turner (OH)	X			Mr. Ryan (OH)		X	
Mr. Kline	X						
Mrs. Miller (MI)	X						
Dr. Gingrey	X						
Mr. Rogers	X						
Mr. Franks	X						

Roll Call Vote Total:

32 Aye 28 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 41 **Date:** 05/14/03

Description: 28.8M Discretionary Transfer for Shchuch'ye **Offered by:** Spratt

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

28 Aye 32 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 86 **Date:** 05/14/03

Description: Strike Sec. 1451 from SARA **Offered by:** Turner

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith			
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)				Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)			
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop				Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

26 Aye 30 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 50 **Date:** 05/14/03
Description: Strike Sec. 317 **Offered by:** Abercrombie

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz		X	
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)		X	
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre		X	
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel		X	
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall		X	
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

23 Aye 37 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 90 **Date:** 05/14/03

Description: Limit Sole-source Commercial Contracts **Offered by:** Spratt

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

28 Aye 32 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 87 **Date:** 05/14/03

Description: Repeal Incentives for Performance-based Contracts (strike Sec. 1441) **Offered by:** Spratt

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

28 Aye 32 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 89 **Date:** 05/14/03

Description: Strike New Commercial Entities Definition **Offered by:** Spratt

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

28 Aye 32 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 98 **Date:** 05/14/03
Description: Stike ESA Expansion **Offered by:** Tauscher

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor		X	
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan			
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)		X	
Mr. Jones		X		Mr. Smith			
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall		X	
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

23 Aye 35 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 51 **Date:** 05/14/03
Description: Strike MMPA Section **Offered by:** Abercrombie

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan			
Mr. McKeon				Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith			
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill			
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin			
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall		X	
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

23 Aye 32 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Previous Question **Date: 05/14/03**

Offered by: Saxton

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter	X			Mr. Skelton		X	
Mr. Weldon		X		Mr. Spratt		X	
Mr. Hefley	X			Mr. Ortiz		X	
Mr. Saxton	X			Mr. Evans		X	
Mr. McHugh	X			Mr. Taylor		X	
Mr. Everett	X			Mr. Abercrombie		X	
Mr. Bartlett	X			Mr. Meehan		X	
Mr. McKeon	X			Mr. Reyes		X	
Mr. Thornberry	X			Dr. Snyder		X	
Mr. Hostettler	X			Mr. Turner (TX)		X	
Mr. Jones	X			Mr. Smith		X	
Mr. Ryun (KS)	X			Ms. Sanchez		X	
Mr. Gibbons	X			Mr. McIntyre		X	
Mr. Hayes	X			Mr. Rodriguez		X	
Mrs. Wilson (NM)	X			Ms. Tauscher		X	
Mr. Calvert	X			Mr. Brady		X	
Mr. Simmons	X			Mr. Hill		X	
Mrs. Davis (VA)			X	Mr. Larson (CT)		X	
Mr. Schrock				Ms. Davis (CA)		X	
Mr. Akin	X			Mr. Langevin		X	
Mr. Forbes	X			Mr. Israel		X	
Mr. Miller (FL)	X			Mr. Larsen (WA)		X	
Mr. Wilson (SC)	X			Mr. Cooper		X	
Mr. LoBiondo	X			Mr. Marshall		X	
Mr. Cole		X		Mr. Meek		X	
Mr. Bradley	X			Ms. Bordallo		X	
Mr. Bishop	X			Mr. Alexander		X	
Mr. Turner (OH)	X			Mr. Ryan (OH)		X	
Mr. Kline	X						
Mrs. Miller (MI)	X						
Dr. Gingrey	X						
Mr. Rogers	X						
Mr. Franks	X						

Roll Call Vote Total:

29 Aye 30 Nay 1 Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 92 **Date:** 05/14/03
Description: Strike NSPS **Offered by:** Cooper

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

28 Aye 32 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 65 **Date:** 05/14/03

Description: Political Patronage Prohibited **Offered by:** Meek

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith			
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

27 Aye 32 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Amendment Number: 67 **Date:** 05/14/03
Description: Collective Bargaining **Offered by:** Sanchez

Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter		X		Mr. Skelton	X		
Mr. Weldon		X		Mr. Spratt	X		
Mr. Hefley		X		Mr. Ortiz	X		
Mr. Saxton		X		Mr. Evans	X		
Mr. McHugh		X		Mr. Taylor	X		
Mr. Everett		X		Mr. Abercrombie	X		
Mr. Bartlett		X		Mr. Meehan	X		
Mr. McKeon		X		Mr. Reyes	X		
Mr. Thornberry		X		Dr. Snyder	X		
Mr. Hostettler		X		Mr. Turner (TX)	X		
Mr. Jones		X		Mr. Smith	X		
Mr. Ryun (KS)		X		Ms. Sanchez	X		
Mr. Gibbons		X		Mr. McIntyre	X		
Mr. Hayes		X		Mr. Rodriguez	X		
Mrs. Wilson (NM)		X		Ms. Tauscher	X		
Mr. Calvert		X		Mr. Brady	X		
Mr. Simmons		X		Mr. Hill	X		
Mrs. Davis (VA)		X		Mr. Larson (CT)	X		
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin		X		Mr. Langevin	X		
Mr. Forbes		X		Mr. Israel	X		
Mr. Miller (FL)		X		Mr. Larsen (WA)	X		
Mr. Wilson (SC)		X		Mr. Cooper	X		
Mr. LoBiondo		X		Mr. Marshall	X		
Mr. Cole		X		Mr. Meek	X		
Mr. Bradley		X		Ms. Bordallo	X		
Mr. Bishop		X		Mr. Alexander	X		
Mr. Turner (OH)		X		Mr. Ryan (OH)	X		
Mr. Kline		X					
Mrs. Miller (MI)		X					
Dr. Gingrey		X					
Mr. Rogers		X					
Mr. Franks		X					

Roll Call Vote Total:

28 Aye 32 Nay Present

COMMITTEE ON ARMED SERVICES
108TH CONGRESS
ROLL CALL

Final Passage of H.R. 1588 **Date: 05/14/03**
as Amended

Voice Vote **Ayes** **Nays**

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Hunter	X			Mr. Skelton	X		
Mr. Weldon	X			Mr. Spratt	X		
Mr. Hefley	X			Mr. Ortiz	X		
Mr. Saxton	X			Mr. Evans		X	
Mr. McHugh	X			Mr. Taylor	X		
Mr. Everett	X			Mr. Abercrombie	X		
Mr. Bartlett	X			Mr. Meehan	X		
Mr. McKeon	X			Mr. Reyes	X		
Mr. Thornberry	X			Dr. Snyder	X		
Mr. Hostettler	X			Mr. Turner (TX)	X		
Mr. Jones	X			Mr. Smith	X		
Mr. Ryun (KS)	X			Ms. Sanchez	X		
Mr. Gibbons	X			Mr. McIntyre	X		
Mr. Hayes	X			Mr. Rodriguez	X		
Mrs. Wilson (NM)	X			Ms. Tauscher	X		
Mr. Calvert	X			Mr. Brady	X		
Mr. Simmons	X			Mr. Hill	X		
Mrs. Davis (VA)	X			Mr. Larson (CT)		X	
Mr. Schrock				Ms. Davis (CA)	X		
Mr. Akin	X			Mr. Langevin	X		
Mr. Forbes	X			Mr. Israel	X		
Mr. Miller (FL)	X			Mr. Larsen (WA)	X		
Mr. Wilson (SC)	X			Mr. Cooper	X		
Mr. LoBiondo	X			Mr. Marshall	X		
Mr. Cole	X			Mr. Meek	X		
Mr. Bradley	X			Ms. Bordallo	X		
Mr. Bishop	X			Mr. Alexander	X		
Mr. Turner (OH)	X			Mr. Ryan (OH)	X		
Mr. Kline	X						
Mrs. Miller (MI)	X						
Dr. Gingrey	X						
Mr. Rogers	X						
Mr. Franks	X						

Roll Call Vote Total:

58 Aye **2 Nay** **Present**

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

The Committee intends to take steps to make available the analysis of changes in existing law made by the bill, as required by clause 3(e) of rule XIII of the Rules of the House of Representatives.

ADDITIONAL VIEWS

We write to express our profound disappointment over the process and partisanship that characterized the mark-up of H.R. 1588, the National Defense Authorization Act for Fiscal Year 2004.

The Armed Services Committee has a well-established record of adhering to a structured legislative process that has resulted in deliberate and fulsome consideration of major legislative initiatives. The Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99–433) and the Reserve Officer Personnel Management Act (Public Law 103–337) are just two examples of laws that resulted from a thoughtful series of committee hearings, consideration of views beyond those of the Department of Defense, and adequate time to scrutinize major proposals for change.

The committee also has stood out as one of the few remaining bastions of bipartisanship in the House of Representatives. Over the years, many contentious issues have come before the committee. From the debates over the Midgetman and MX missiles in the 1980s to allied burdensharing and building the B–2 bomber in the early 1990s to counterproliferation and peacekeeping activities more recently, Armed Services Committee members have invariably been able to work through politically charged issues. Resolving these issues has not been easy, but the atmosphere of bipartisanship, mutual respect and cordiality among members has always pervaded the committee authorization process.

The committee's historical practice has been to achieve compromise on all but the most intractably divisive measures, recognizing that national security is too important for partisanship, and that the committee's independence from the administration of the day was both its strength and its constitutional charge.

Unfortunately, the committee's consideration of H.R. 1588 has placed these traditions in jeopardy.

This year, the committee brought difficulty upon itself by accepting legislation beyond the traditional scope of a defense authorization, and then not allowing time for it to be properly considered. Over the years, the defense authorization bill has often included provisions that fall within the legislative jurisdiction of other committees. However, the inclusion in this bill of provisions dramatically changing our civil service laws and rewriting major environmental laws without limited application to the Department of Defense is extraordinary if not unprecedented. Equally troubling is that the Armed Services Committee held fewer than five hearings on the Department's "transformation" proposals, and two of those were on short notice or on a day when the House was not in session. These legislative proposals were submitted to Congress barely a month before the Committee marked up H.R. 1588 and immediately before a two week House recess period. The actual text of the language in this bill was available for Members to review just

a few days before mark up. Consideration of such broad, sweeping policy changes on short notice, with scant opportunity for review, is a dramatic departure from the Committee's history of careful, deliberate evaluation of significant legislation. This process will not produce prudent policy. Our committee has not operated in this fashion in the past, and consideration of the Department's "transformation" proposals warranted more thoughtful review in this instance. There was no committee interest in including this legislation in the authorization bill rather than a separate vehicle, and no committee interest in hastening its consideration. We urge the committee to return to its history of regular order process as we undertake future legislation.

The deterioration in bipartisanship, a hallmark of the Armed Services Committee's operations for decades, was evidenced in the mark up of H.R. 1588. During the 24–hour mark up of this bill, there were 29 roll call votes, and almost all of them were straight party-line or mostly party-line. Moreover, during consideration of the first and most important amendment to the civil service provisions in the bill—the most contentious aspect of this legislation—the previous question was moved in an effort to curtail debate. Both of these occurrences are unprecedented in the modern history of this committee, and we hope that they do not portend a sea change in the way this committee conducts its business. They are, however, symptoms of an underlying deterioration in the committee's legislative process.

It is axiomatic that the legislative process is consultative, and compromise among the parties is key to crafting sound policy that will stand the test of time. The Armed Services Committee's historical bipartisanship is a testament that consultation and compromise work. The mark up of this bill suggests a pronounced decline in these areas. Symptomatic of this decline was the series of three party-line roll call votes to the Service Acquisition Reform Act provisions in the bill. These provisions were included in the bill without consultation. The subject matter was not so inherently partisan that compromise should have been out of the question. Resolution of policy differences should have been easily attained without defaulting to a partisan outcome.

The motion for the previous question is equally disturbing. After full and substantive debate on myriad amendments throughout this mark-up, moving the previous question during the first amendment on the subject of greatest concern to the minority sends a signal of intolerance and unwillingness to respect or even hear opposing views, despite the fact that those views are widely and sincerely held by many members of the Committee. Such action is highly uncharacteristic and disappointing. Despite many contentious and partisan battles on issues in the past, not one member can recall a single instance in which the previous question has been moved during debate on an amendment in this committee. We view this development with sadness and regret.

The universal aim of members who serve on this committee, Republican and Democrat, is to enact policies to provide for our national security. We all endeavor to ensure that the men and women who serve in our military and make such great sacrifices for our nation have the training, equipment and means to best protect our

country. Attaining our mutual goals should not be a partisan enterprise, certainly not to the extent reflected in this bill and in this mark-up. We strongly urge a careful rethinking of the approach the committee has taken so far this year. A decline in one of the paragons of bipartisanship and collegiality in the House—the Armed Services Committee—will occur if this trend continues. Damage to the wisdom of our defense policy will be the unfortunate and inevitable long-term result for the country.

IKE SKELTON.
JOHN SPRATT.
GENE TAYLOR.
LANE EVANS.
MARTY MEEHAN.
NEIL ABERCROMBIE.
SILVESTRE REYES.
CIRO D. RODRIGUEZ.
VIC SNYDER.
LORETTA SANCHEZ.
SUSAN A. DAVIS.
RICK LARSEN.
JIM COOPER.
BARON P. HILL.
ELLEN O. TAUSCHER.
JOHN B. LARSON.
KENDRICK B. MEEK.
JIM LANGEVIN.
TIM RYAN.
ADAM SMITH.
ROBERT A. BRADY.
RODNEY ALEXANDER.
JIM TURNER.
STEVE ISRAEL.
MADELEINE Z. BORDALLO.
MIKE MCINTYRE.
SOLOMON P. ORTIZ.
JIM MARSHALL.

ADDITIONAL VIEWS

We write to express our concerns about the Cooperative Threat Reduction (CTR) and nuclear weapons provisions included in H.R. 1588. While, in both areas, the committee took some positive actions, we believe that on the whole the bill does not sufficiently advance the United States' nonproliferation policy goals. On the one hand, the bill does not provide all that the administration has requested to achieve the national security objectives of the CTR program. On the other, by advancing policies that aim to develop new and more usable nuclear weapons, the committee sends a dangerous signal to nations who might seek nuclear weapons and weakens U.S. credibility to push for nuclear restraint by others. Both of these elements of the bill are troubling on their own; when considered together they underline the dangers of these policies.

Cooperative Threat Reduction Issues

We are pleased that the committee fully funded the President's budget request for Cooperative Threat Reduction programs. We also commend the committee's decision to approve a one-year extension of waiver authority for certification conditions for the chemical weapons destruction facility at Shchuch'ye, Russia. Waiver authority will allow the construction of this facility—which currently stores 5,400 tons of the world's most dangerous and easily stolen weapons—to continue while still keeping pressure on Russia to comply all of the conditions imposed.

Yet while the bill permits the chemical weapons program to move forward, it also puts serious constraints on the funds needed to construct the Shchuch'ye facility. The chairman's mark, as presented to the committee, moved $28.8 million from the chemical weapons destruction program to the strategic offensive arms elimination program—a program already fully funded in the President's request. Mr. Spratt offered two amendments—one that would restore the administration's request and one that would put the $28.8 million in a separate line item that could be used for either the chemical or the strategic nuclear programs. The latter approach would have given the Secretary of Defense the flexibility to fund Shchuch'ye, while still allowing some members of the committee to express their preference for funding strategic nuclear programs. The bill also contains a complicated and unwieldy cost-sharing system for obligating the money that remains. While we believe that Russia and other members of the international community must remain active and committed partners in this effort, the bill's approach to achieving this outcome is overly complex and likely to slow efforts to dismantle these weapons. Both of these amendments failed on party line votes. We are deeply disappointed that the [national security benefits] value of the nonproliferation efforts to be achieved at Shchuch'ye—which President Bush has ordered to be

accelerated—are not understood or accepted by the majority of this committee.

We are also distressed that the administration's request to allow $50 million in CTR funds to be used outside the former Soviet Union to take advantage of near-term nonproliferation opportunities or to advance our long-standing nonproliferation policies was stripped from this bill. Instead the bill allows for the transfer of such funds to the State Department's Nonproliferation and Disarmament Fund. We believe that the State Department undertakes important nonproliferation activities, but it does not have the deep expertise in securing and dismantling the weapons and infrastructure of weapons of mass destruction programs. The administration specifically asked for the Department of Defense to have this authority and we concur with their assessment. Ms. Tauscher offered an amendment that would have restored the requested approach. All committee Democrats and a Republican supported the President's request, but the amendment still failed.

Beyond these amendments, we have concerns about other provisions that may be well-intentioned, but are constraining in their effect. We are aware of and troubled by the waste incurred by the troubles at CTR programs in Votkinsk and Krasnoyarsk. We believe that there must be better program accountability and a renewed commitment by our Russian partners to ensure these problems do not recur. The Defense Department acknowledges this as well and has instituted a series of new procedures and policies designed to achieve this goal which they described to the committee on in testimony on March 4, 2003. The approach taken by this bill including its requirement that the Department identify, for all new or ongoing CTR programs, every permit or license that will ever be needed for a project, and then obtain such permits, regardless of when they would be most appropriately obtained, will hamstring numerous CTR programs, ultimately extending the completion time for these projects and leaving more weapons at proliferation risk. We share the majority's interest in enhanced accountability, but the existing efforts of the Department will achieve this, without risking the health of existing programs.

We hope some of these weaknesses will be reversed in floor consideration of H.R. 1588. Doing so would advance the administration's and Congress' goal of preventing the proliferation of some of the world's most dangerous weapons.

Nuclear Weapon Issues

We are pleased that the committee accepted the amendment offered by Rep. Spratt to retain the prohibition on developing new nuclear weapons with yields below five kilotons. Although the amendment permits research of such weapons, it prohibits development engineering (referred to as Phase 6.3 activities by the Department of Energy) and later stages of development. More importantly, the amendment reaffirms that it is the policy of the United States not to develop or produce low-yield nuclear weapons. This bipartisan action in the House sends an important message: the United States is not backsliding towards development of new battlefield nuclear weapons.

Unfortunately, bipartisan agreement on this amendment did not extend to three other amendments on nuclear weapons. On nearly party-line votes, the majority refused to accept the following amendments:

1. A Tauscher Amendment to put in place a one-year moratorium on the development of new nuclear weapons (although research short of phase 6.3 would have been permitted);
2. A Tauscher Amendment to transfer funding from two nuclear weapon studies—the Robust Nuclear Earth Penetrator and Advanced Concepts—to conventional alternatives for addressing hard and deeply buried targets; and
3. A Spratt Amendment to require notification of Congress 18 months prior to a resumption of underground nuclear testing.

In rejecting these common-sense amendments, the committee has effectively endorsed the Bush Administration's policy to examine new uses for nuclear weapons. We believe this policy is a reversal of the positive trend since the end of the Cold War to rely less and less on nuclear weapons. If the United States starts seeking new nuclear weapons, it signals that nuclear weapons are still desirable and legitimate weapons of war. If other existing nuclear nations—such as Russia, China, India, and Pakistan—follow our lead, the odds increase that terrorist groups will obtain these weapons or the critical fissile materials used to build them. In addition, our pursuit of new nuclear weapons may weaken international resolve to prevent nations such as North Korea, Iran, Syria, and Libya from obtaining nuclear weapons (or more weapons in the case of North Korea).

Instead of developing new nuclear weapons, the United States should redouble its efforts to discourage the development and use of nuclear weapons and reduce the stores of fissile materials available for theft or unauthorized transfer. We are disappointed that the bill as currently drafted heads in the wrong direction, and will continue to seek changes to the bill on the House floor and in conference.

IKE SKELTON.
JOHN SPRATT.
GENE TAYLOR.
LANE EVANS
MARTY MEEHAN.
NEIL ABERCROMBIE.
SILVESTRE REYES.
VIC SNYDER.
LORETTA SANCHEZ.
ADAM SMITH.
ROBERT A. BRADY.
RODNEY ALEXANDER.
JIM TURNER.
RICK LARSEN.
JIM COOPER.
BARON P. HILL.
ELLEN O. TAUSCHER.
JOHN B. LARSON.
KENDRICK B. MEEK.
JIM LANGEVIN.
TIM RYAN.
STEVE ISRAEL.
MADELEINE Z. BORDALLO.
SUSAN A. DAVIS.
SOLOMON P. ORTIZ.

ADDITIONAL VIEWS

As members of the Armed Services Committee we clearly understand the importance of a strong national defense. Our record of support is unambiguous. Realistic and rigorous training underpins the capabilities of our military services, forms one of the most important components of readiness, and provides for our repeated successes.

We have an obligation to protect this training. We also have an obligation to protect the natural environment—air, water, and land—upon which all life depends. The protection of our environment has profound consequences on our economic well being and our quality of life.

No one can dispute the importance of military readiness and protecting the environment. However, the current law effectively balances the two. If a case were made that current law was not balanced we would certainly be sympathetic to adjusting the law. Nothing points to an imbalance.

We have heard much rhetoric on the issue, but the truth is the Department of Defense's evidence is fundamentally anecdotal. Moreover, that anecdotal evidence stands in sharp contrast to the successes in Iraq. Should training have been adversely impacted, we would have expected to see evidence of that impact in combat operations. None exists.

We looked for analysis to inform the debate. While metrics exist to measure readiness, no one has presented any measure of reduced readiness resulting from the Department's compliance with existing law. In fact, in an April 2003 Report, the General Accounting Office noted "Despite concerns voiced repeatedly by DOD officials about the effects of encroachment on training, DOD's readiness reports did not indicate the extent to which encroachment was adversely affecting training readiness and costs."

Supplementing this absence of data suggesting an adverse impact on readiness are the statements of Administration officials. In Senate testimony earlier this year, Christine Whitman, administrator of the Environmental Protection Agency, said, "I don't believe that there is a training mission anywhere in the country that is being held up or not taking place because of environmental protection regulation." Further, the Deputy Secretary of Defense wrote in a March 3 memorandum "In the vast majority of cases, we have demonstrated that we are both able to comply with environmental requirements and to conduct necessary military training and testing."

Finally, if an adverse impact existed or arose, current law provides a number of exemptions that the Administration could exercise. Rather than support a substantial shift in environmental law, we call upon the Department to exercise its ability to use the existing exemptions in the rare cases in which those exemptions might

be needed. Apparently Deputy Secretary Wolfowitz agrees. He wrote "In those exceptional cases where we cannot [train] and the law permits us to do so, we owe it to our young men and women to request an appropriate exemption."

Instead of addressing those rare cases by supporting existing exemptions or proposing a surgical fix, the majority included far-reaching changes in environmental laws, whose application extends well beyond the Department of Defense and well beyond any determinable national security requirement.

The unfortunate and counterproductive result of exempting all Federal activity from these important protections will be to further exacerbate the threat to endangered species and marine mammals, curtail valuable public, State and local consultation, and in all likelihood increase litigation.

SUSAN A. DAVIS.
LANE EVANS.
NEIL ABERCROMBIE.
CIRO D. RODRIGUEZ.
LORETTA SANCHEZ.
ELLEN O. TAUSCHER.
JIM LANGEVIN.
TIM RYAN.
JOHN B. LARSON.

ADDITIONAL VIEWS

These additional views express our concerns regarding the proposal for a new Department of Defense National Security Personnel System included in H.R. 1588. We recognize the need for some changes in the personnel management system at the Department of Defense (DoD) that help the department adapt to today's international security and employment environment. In particular, we feel that more flexibility in hiring practices and a fair pay-for-performance system that does a better job of rewarding the best DOD civilian employees could be very important steps toward creating a more effective Department of Defense. However, we believe that the proposal included in H.R. 1588 goes too far, too fast. Rather than presenting Congress with a plan to address specific problems in the current civilian personnel system, the Department has requested blanket authority to create an entirely new system with only the flimsiest safeguards for fundamental employee rights. We believe that this "blank check" approach to reform is not the way to proceed.

As recently demonstrated by the performance of our military forces in Iraq, the Department of Defense is a highly effective organization that is producing superb military capability. Civilians at DOD—numbering more than 700,000—were a critical part of this military success. The quality of this performance demonstrates that Congress has time to do this right. Simply put, there is no "crisis" in the DOD civil service system that requires the ill-considered, rushed, and unclear reform effort embodied in H.R. 1588. Our concern is that in trying to go too fast in this critical area of reform, the Department risks undermining the morale and effectiveness of a patriotic and loyal civilian workforce that is a key part of the outstanding military capabilities our nation enjoys today.

In addition to our concerns with the overly broad and rushed approach to reform of the civilian personnel system inherent in H.R. 1588, we are troubled by the lack of explicit protections for fundamental workers' rights in the legislation. The proposal grants broad authority to the current—and every future—Secretary of Defense to create and manage a new personnel system that is exempt from many current employee protections embodied in Title 5, United States Code: the right to true collective bargaining, the right to a fair appeals system, premium payment for employees in hazardous jobs, adequate overtime and weekend compensation, preferences for veterans in hiring and retention, equal pay for equal work, and protection from adverse actions due to political affiliation. We believe that an effective approach to reform does not require casually tossing aside these critical protections, which are now protected in statute, in exchange for the promises and good intentions of the current and future leadership of the Department of Defense. We fear that if the Department of Defense fails to use this new author-

ity in a responsible manner, we risk returning the nation's most important government department to a "spoils" system where political loyalty and favoritism are more important than competence and merit.

During floor consideration of H.R. 1588, we hope to present amendments that address our concerns regarding the overly broad and sweeping provisions that grant the Department of Defense unprecedented authority to establish an entirely new personnel system. Informed and carefully considered reform of the DOD civil service system may be needed, but we feel that the approach represented by H.R. 1588 may place America's current military strength at risk by trying to change too much, too fast. We feel that Congress owes it to our Department of Defense civilian employees, our Armed Forces, and the American people to get these critical reforms right.

JIM COOPER.
IKE SKELTON.
JOHN SPRATT.
GENE TAYLOR.
CIRO D. RODRIGUEZ.
SILVESTRE REYES.
NEIL ABERCROMBIE.
SUSAN A. DAVIS.
ADAM SMITH.
JAMES LANGEVIN.
JOHN B. LARSON.
STEVE ISRAEL.
ROBERT A. BRADY.
KENDRICK B. MEEK.
SOLOMON P. ORTIZ.
RICK LARSEN.
TIM RYAN.
ELLEN O. TAUSCHER.

ADDITIONAL AND SUPPLEMENTAL VIEWS OF REPRESENTATIVE TIM RYAN

This statement is to clarify any inconsistency found in the amendments pertaining to subsection 2533a(c) of the Berry Amendment. My intent is to have consistency throughout 2533a(c), as amended, by having the authority found in 2533a(c), as amended, rest exclusively with the Secretary of Defense, and not with the Secretary of the military department concerned. Hence, the phrase "or the Secretary of the military department concerned" should be stricken throughout 2533a(c) of the Berry Amendment.

TIM RYAN.

DISSENTING VIEW OF REPRESENTATIVE LANE EVANS

The Fiscal Year 2004 National Defense Authorization as reported out of this committee goes a long way in giving our troops and their commanders the tools to transform our military for the 21st century. But, I remain very concerned about the latitude given to the Secretary of Defense and the enveloping changes to the Department of Defenses' personnel system. My overwhelming concern in handing over so much power to the Pentagon and eliminating vital labor protections forced me to vote against the chairman's mark up.

Section 1111 of the Fiscal Year 2004 National Defense Authorization as reported waives 12 major federal civil service protections for workers in Title 5 of the United States Code. These sweeping changes and others more drastic were presented to the committee for consideration by the Secretary of Defense less than two weeks before we began the mark up process. This gave the members of the committee an extremely short period to listen to expert witnesses and deliberate the effect of this wide ranging rollback. While the creation of the current civil service rules took years to implement and perfect, this major rollback took only a few hours of hearings, with little actual debate.

Section 1111 gives the Department of Defense authority to scrap local bargaining agreements and replace them with one rigid national system. Denying local agreements does not take into account unique workplaces that a national agreement will not incorporate. Further, it scraps the long established General Schedule (GS) wage system and the grade step increases with a system the Secretary of Defense will draw up. Neither the Armed Services Committee nor the Government Reform Committee have given any guidance or parameters over a wage system that will effect over 700,000 government workers.

The hallmark of our nation's civil service system is due process and rights of appeal. This legislation waives a Department of Defense employee's right to appeal a disciplinary discriminatory action to either the Equal Employment Opportunity Commission or the Merit Systems Protection Board.

Many of these changes to the civil service in this legislation are based upon the "Homeland Security" model that has not even been tested, much less implemented. We are about to extend these experimental rollbacks to the 700,000 Department of Defense civilian employees. These effected civilian employees performed tremendously during Operation Enduring Freedom and Operation Iraqi Freedom, but upon the recent cessation of hostilities, their rights and protections will now be rolled back, without justification being presented in this committee.

This legislation as reported out of the committee places an unprecedented amount of trust with the Secretary of Defense that would apply to all future Secretaries of Defense in the area of labor

management and civilian protections. This committee should not hand off wide-ranging and absolute authority on the enforcement of veterans' preference in hiring, setting wage and pay classifications, and the definition of merit and performance to the Secretary of Defense and his or her subordinate bureaucrats. It is within the jurisdiction and the assigned role of this committee to define these standards. I believe that in the future, more than likely based upon a negative and publicized experience with these rollbacks, this committee will revisit the broad latitude in the personnel system handed to the Secretary of Defense.

I am aware that the Senate Armed Services Committee has not included these changes to the personnel system and it is my strong desire that the Senate position on this issue prevails.

LANE EVANS.

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108TH CONGRESS, 1st Session | HOUSE OF REPRESENTATIVES | REPT. 108–106 Part 2

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2004

MAY 21, 2003.—Ordered to be printed

Mr. HUNTER, from the Committee on Armed Services, submitted the following

SUPPLEMENTAL REPORT

[To accompany H.R. 1588]

The supplemental report shows changes in existing law made by the bill (H.R. 1588), as reported. The material contained in this supplemental report was omitted in the report submitted on May 16, 2003 (H. Rept. 108–106).

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

BOB STUMP NATIONAL DEFENSE AUTHORIZATION ACT OF FISCAL YEAR 2003

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

* * * * * * *

87–196

Subtitle D—Air Force Programs

SEC. 131. MULTIYEAR PROCUREMENT AUTHORITY FOR C–130J AIRCRAFT PROGRAM.

(a) MULTIYEAR AUTHORITY.—Beginning with the fiscal year 2003 program year, the Secretary of the Air Force may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract for procurement of up to [40 C-130J aircraft] *42 C–130J aircraft* in the CC–130J configuration and up to 24 C–130J aircraft in the KC–130J configuration. Notwithstanding subsection (k) of such section, such a contract may be for a period of six program years.

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TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

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Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. RAH–66 COMANCHE AIRCRAFT PROGRAM.

(a) REPORTS REQUIRED.—Not later than the end of each fiscal quarter of fiscal year 2003 *and fiscal year 2004*, the Secretary of the Army 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 progress of the restructured engineering and manufacturing development phase of the RAH–66 Comanche aircraft program.

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TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

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Subtitle B—Amendments to General Contracting Authorities, Procedures, and Limitations

SEC. 811. LIMITATION PERIOD FOR TASK AND DELIVERY ORDER CONTRACTS.

(a) * * *

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[(c) COMPTROLLER GENERAL REPORT.—Not later than March 15, 2003, the Comptroller General 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 contract periods (including any options or extensions) for all single and multiple contract awards entered into under section 2304a(d) of title 10, United States Code, before the effective date in subsection (b).]

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

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[TITLE XXXVI—ATOMIC ENERGY DEFENSE PROVISIONS

[Sec. 3601. Short title.

[Subtitle A—[Reserved]

[Subtitle B—Department of Energy National Security Authorizations General Provisions

[Sec. 3620. Definitions.
[Sec. 3621. Reprogramming.
[Sec. 3622. Minor construction projects.
[Sec. 3623. Limits on construction projects.
[Sec. 3624. Fund transfer authority.
[Sec. 3625. Conceptual and construction design.
[Sec. 3626. Authority for emergency planning, design, and construction activities.
[Sec. 3627. Scope of authority to carry out plant projects.
[Sec. 3628. Availability of funds.
[Sec. 3629. Transfer of defense environmental management funds.
[Sec. 3630. Transfer of weapons activities funds.
[Sec. 3631. Funds available for all national security programs of the Department of Energy.

[SEC. 3601. SHORT TITLE.

[This title may be cited as the "Atomic Energy Defense Act".

[Subtitle A—[Reserved]

[Subtitle B—Department of Energy National Security Authorizations General Provisions

[SEC. 3620. DEFINITIONS.

[In this subtitle:

[(1) The term "DOE national security authorization" means an authorization of appropriations for activities of the Department of Energy in carrying out programs necessary for national security.

[(2) The term "congressional defense committees" means—

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

[(B) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

[(3) The term "minor construction threshold" means $5,000,000.

[SEC. 3621. REPROGRAMMING.

[(a) IN GENERAL.—Except as provided in subsection (b) and in sections 3629 and 3630, the Secretary of Energy may not use amounts appropriated pursuant to a DOE national security authorization for a program—

[(1) in amounts that exceed, in a fiscal year—

[(A) 115 percent of the amount authorized for that program by that authorization for that fiscal year; or

[(B) $5,000,000 more than the amount authorized for that program by that authorization for that fiscal year; or

[(2) which has not been presented to, or requested of, Congress.

[(b) EXCEPTION WHERE NOTICE-AND-WAIT GIVEN.—An action described in subsection (a) may be taken if—

[(1) the Secretary submits to the congressional defense committees a report referred to in subsection (c) with respect to such action; and

[(2) a period of 30 days has elapsed after the date on which such committees receive the report.

[(c) REPORT.—The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the proposed action.

[(d) COMPUTATION OF DAYS.—In the computation of the 30-day period under subsection (b), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than three days to a day certain.

[(e) LIMITATIONS.—

[(1) TOTAL AMOUNT OBLIGATED.—In no event may the total amount of funds obligated pursuant to a DOE national security authorization for a fiscal year exceed the total amount authorized to be appropriated by that authorization for that fiscal year.

[(2) PROHIBITED ITEMS.—Funds appropriated pursuant to a DOE national security authorization may not be used for an item for which Congress has specifically denied funds.

[SEC. 3622. MINOR CONSTRUCTION PROJECTS.

[(a) AUTHORITY.—Using operation and maintenance funds or facilities and infrastructure funds authorized by a DOE national security authorization, the Secretary of Energy may carry out minor construction projects.

[(b) ANNUAL REPORT.—The Secretary shall submit to the congressional defense committees on an annual basis a report on each exercise of the authority in subsection (a) during the preceding fiscal year. Each report shall provide a brief description of each minor construction project covered by the report.

[(c) COST VARIATION REPORTS TO CONGRESSIONAL COMMITTEES.—If, at any time during the construction of any minor construction project authorized by a DOE national security authorization, the estimated cost of the project is revised and the revised

cost of the project exceeds the minor construction threshold, the Secretary shall immediately submit to the congressional defense committees a report explaining the reasons for the cost variation.

[(d) MINOR CONSTRUCTION PROJECT DEFINED.—In this section, the term "minor construction project" means any plant project not specifically authorized by law for which the approved total estimated cost does not exceed the minor construction threshold.

[SEC. 3623. LIMITS ON CONSTRUCTION PROJECTS.

[(a) CONSTRUCTION COST CEILING.—Except as provided in subsection (b), construction on a construction project which is in support of national security programs of the Department of Energy and was authorized by a DOE national security authorization may not be started, and additional obligations in connection with the project above the total estimated cost may not be incurred, whenever the current estimated cost of the construction project exceeds by more than 25 percent the higher of—

[(1) the amount authorized for the project; or

[(2) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

[(b) EXCEPTION WHERE NOTICE-AND-WAIT GIVEN.—An action described in subsection (a) may be taken if—

[(1) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

[(2) a period of 30 days has elapsed after the date on which the report is received by the committees.

[(c) COMPUTATION OF DAYS.—In the computation of the 30-day period under subsection (b), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than three days to a day certain.

[(d) EXCEPTION FOR MINOR PROJECTS.—Subsection (a) does not apply to a construction project with a current estimated cost of less than the minor construction threshold.

[SEC. 3624. FUND TRANSFER AUTHORITY.

[(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to a DOE national security authorization to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same time period as the authorizations of the Federal agency to which the amounts are transferred.

[(b) TRANSFER WITHIN DEPARTMENT OF ENERGY.—

[(1) TRANSFERS PERMITTED.—Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to a DOE national security authorization to any other DOE national security authorization. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

[(2) MAXIMUM AMOUNTS.—Not more than 5 percent of any such authorization may be transferred to another authorization

under paragraph (1). No such authorization may be increased or decreased by more than 5 percent by a transfer under such paragraph.

[(c) LIMITATIONS.—The authority provided by this subsection to transfer authorizations—

[(1) may be used only to provide funds for items relating to activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

[(2) may not be used to provide funds for an item for which Congress has specifically denied funds.

[(d) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the congressional defense committees of any transfer of funds to or from any DOE national security authorization.

[SEC. 3625. CONCEPTUAL AND CONSTRUCTION DESIGN.

[(a) CONCEPTUAL DESIGN.—

[(1) REQUIREMENT.—Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

[(2) REQUESTS FOR CONCEPTUAL DESIGN FUNDS.—If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

[(3) EXCEPTIONS.—The requirement in paragraph (1) does not apply to a request for funds—

[(A) for a construction project the total estimated cost of which is less than the minor construction threshold; or

[(B) for emergency planning, design, and construction activities under section 3626.

[(b) CONSTRUCTION DESIGN.—

[(1) AUTHORITY.—Within the amounts authorized by a DOE national security authorization, the Secretary may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

[(2) LIMITATION ON AVAILABILITY OF FUNDS FOR CERTAIN PROJECTS.—If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for that design must be specifically authorized by law.

[SEC. 3626. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

[(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to a DOE national security authorization, including funds authorized to be appropriated for advance planning, engineering, and construction design, and for plant projects, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary,

must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

[(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of a construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making those activities necessary.

[(c) SPECIFIC AUTHORITY.—The requirement of section 3625(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

[SEC. 3627. SCOPE OF AUTHORITY TO CARRY OUT PLANT PROJECTS.

[In carrying out programs necessary for national security, the authority of the Secretary of Energy to carry out plant projects includes authority for maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto.

[SEC. 3629. TRANSFER OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

[(a) TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a program or project under the jurisdiction of that office to another such program or project.

[(b) LIMITATIONS.—

[(1) NUMBER OF TRANSFERS.—Not more than one transfer may be made to or from any program or project under subsection (a) in a fiscal year.

[(2) AMOUNTS TRANSFERRED.—The amount transferred to or from a program or project in any one transfer under subsection (a) may not exceed $5,000,000.

[(3) DETERMINATION REQUIRED.—A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer is necessary—

[(A) to address a risk to health, safety, or the environment; or

[(B) to assure the most efficient use of defense environmental management funds at the field office.

[(4) IMPERMISSIBLE USES.—Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

[(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3621 shall not apply to transfers of funds pursuant to subsection (a).

[(d) NOTIFICATION.—The Secretary, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

[(e) DEFINITIONS.—In this section:

[(1) The term "program or project" means, with respect to a field office of the Department of Energy, a program or project that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by that office, and for which defense environmental management funds have been authorized and appropriated.

[(2) The term "defense environmental management funds" means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

[SEC. 3630. TRANSFER OF WEAPONS ACTIVITIES FUNDS.

[(a) TRANSFER AUTHORITY FOR WEAPONS ACTIVITIES FUNDS.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer weapons activities funds from a program or project under the jurisdiction of that office to another such program or project.

[(b) LIMITATIONS.—

[(1) NUMBER OF TRANSFERS.—Not more than one transfer may be made to or from any program or project under subsection (a) in a fiscal year.

[(2) AMOUNTS TRANSFERRED.—The amount transferred to or from a program or project in any one transfer under subsection (a) may not exceed $5,000,000.

[(3) DETERMINATION REQUIRED.—A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer—

[(A) is necessary to address a risk to health, safety, or the environment; or

[(B) will result in cost savings and efficiencies.

[(4) LIMITATION.—A transfer may not be carried out by a manager of a field office under subsection (a) to cover a cost overrun or scheduling delay for any program or project.

[(5) IMPERMISSIBLE USES.—Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

[(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3621 shall not apply to transfers of funds pursuant to subsection (a).

[(d) NOTIFICATION.—The Secretary, acting through the Administrator for Nuclear Security, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

[(e) DEFINITIONS.—In this section:

[(1) The term "program or project" means, with respect to a field office of the Department of Energy, a program or project that is for weapons activities necessary for national security programs of the Department, that is being carried out by that office, and for which weapons activities funds have been authorized and appropriated.

[(2) The term "weapons activities funds" means funds appropriated to the Department of Energy pursuant to an author-

ization for carrying out weapons activities necessary for national security programs.

[SEC. 3631. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

[Subject to the provisions of appropriation Acts and section 3621, amounts appropriated pursuant to a DOE national security authorization for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.]

DIVISION D—ATOMIC ENERGY DEFENSE PROVISIONS

SEC. [3601.] *4001.* SHORT TITLE.

This [title] *division* may be cited as the "Atomic Energy Defense Act".

SEC. 4002. DEFINITION.

In this division, the term "congressional defense committees" means—

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

(2) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

TITLE XLI—ORGANIZATIONAL MATTERS

SEC. 4101. NAVAL NUCLEAR PROPULSION PROGRAM.

The provisions of Executive Order Numbered 12344, dated February 1, 1982, pertaining to the Naval Nuclear Propulsion Program, shall remain in force until changed by law.

SEC. 4102. MANAGEMENT STRUCTURE FOR NUCLEAR WEAPONS PRODUCTION FACILITIES AND NUCLEAR WEAPONS LABORATORIES.

(a) LIMITATION ON DELEGATION OF AUTHORITY.—(1) The Secretary of Energy, in carrying out national security programs, may delegate specific management and planning authority over matters relating to site operation of the facilities and laboratories covered by this section only to the Assistant Secretary of Energy for Defense Programs. Such Assistant Secretary may redelegate such authority only to managers of area offices of the Department of Energy located at such facilities and laboratories.

(2) Nothing in this section may be construed as affecting the delegation by the Secretary of Energy of authority relating to reporting, management, and oversight of matters relating to the Department of Energy generally, or safety, environment, and health at such facilities and laboratories.

(b) REQUIREMENT TO CONSULT WITH AREA OFFICES.—The Assistant Secretary of Energy for Defense Programs, in exercising any delegated authority to oversee management of matters relating to site operation of a facility or laboratory, shall exercise such authority only after direct consultation with the manager of the area office of the Department of Energy located at the facility or laboratory.

(c) REQUIREMENT FOR DIRECT COMMUNICATION FROM AREA OFFICES.—The Secretary of Energy, acting through the Assistant Secretary of Energy for Defense Programs, shall require the head of each area office of the Department of Energy located at each facility and laboratory covered by this section to report on matters relating to site operation other than those matters set forth in subsection (a)(2) directly to the Assistant Secretary of Energy for Defense Programs, without obtaining the approval or concurrence of any other official within the Department of Energy.

(d) DEFENSE PROGRAMS REORGANIZATION PLAN AND REPORT.—(1) The Secretary of Energy shall develop a plan to reorganize the field activities and management of the national security functions of the Department of Energy.

(2) Not later than January 21, 1997, the Secretary shall submit to Congress a report on the plan developed under paragraph (1). The report shall specifically identify all significant functions performed by the operations offices relating to any of the facilities and laboratories covered by this section and which of those functions could be performed—

(A) by the area offices of the Department of Energy located at the facilities and laboratories covered by this section; or

(B) by the Assistant Secretary of Energy for Defense Programs.

(3) The report also shall address and make recommendations with respect to other internal streamlining and reorganization initiatives that the Department could pursue with respect to military or national security programs.

(e) DEFENSE PROGRAMS MANAGEMENT COUNCIL.—The Secretary of Energy shall establish a council to be known as the "Defense Programs Management Council". The Council shall advise the Secretary on policy matters, operational concerns, strategic planning, and development of priorities relating to the national security functions of the Department of Energy. The Council shall be composed of the directors of the facilities and laboratories covered by this section and shall report directly to the Assistant Secretary of Energy for Defense Programs.

(f) COVERED SITE OPERATIONS.—For purposes of this section, matters relating to site operation of a facility or laboratory include matters relating to personnel, budget, and procurement in national security programs.

(g) COVERED FACILITIES AND LABORATORIES.—This section applies to the following facilities and laboratories of the Department of Energy:

(1) The Kansas City Plant, Kansas City, Missouri.

(2) The Pantex Plant, Amarillo, Texas.

(3) The Y–12 Plant, Oak Ridge, Tennessee.

(4) The Savannah River Site, Aiken, South Carolina.

(5) Los Alamos National Laboratory, Los Alamos, New Mexico.

(6) Sandia National Laboratories, Albuquerque, New Mexico.

(7) Lawrence Livermore National Laboratory, Livermore, California.

(8) The Nevada Test Site, Nevada.

SEC. 4103. RESTRICTION ON LICENSING REQUIREMENT FOR CERTAIN DEFENSE ACTIVITIES AND FACILITIES.

None of the funds authorized to be appropriated by the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1981 (Public Law 96–540) or any other Act may be used for any purpose related to licensing of any defense activity or facility of the Department of Energy by the Nuclear Regulatory Commission.

TITLE XLII—NUCLEAR WEAPONS STOCKPILE MATTERS

Subtitle A—Stockpile Stewardship and Weapons Production

SEC. 4201. STOCKPILE STEWARDSHIP PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Energy shall establish a stewardship program to ensure the preservation of the core intellectual and technical competencies of the United States in nuclear weapons, including weapons design, system integration, manufacturing, security, use control, reliability assessment, and certification.

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

(1) An increased level of effort for advanced computational capabilities to enhance the simulation and modeling capabilities of the United States with respect to the detonation of nuclear weapons.

(2) An increased level of effort for above-ground experimental programs, such as hydrotesting, high-energy lasers, inertial confinement fusion, plasma physics, and materials research.

(3) Support for new facilities construction projects that contribute to the experimental capabilities of the United States, such as an advanced hydrodynamics facility, the National Ignition Facility, and other facilities for above-ground experiments to assess nuclear weapons effects.

(c) AUTHORIZATION OF APPROPRIATIONS.—Of funds authorized to be appropriated to the Secretary of Energy for fiscal year 1994 for weapons activities, $157,400,000 shall be available for the stewardship program established under subsection (a).

SEC. 4202. REPORT ON STOCKPILE STEWARDSHIP CRITERIA.

(a) REQUIREMENT FOR CRITERIA.—The Secretary of Energy shall develop clear and specific criteria for judging whether the science-based tools being used by the Department of Energy for determining the safety and reliability of the nuclear weapons stockpile are performing in a manner that will provide an adequate degree of certainty that the stockpile is safe and reliable.

(b) COORDINATION WITH SECRETARY OF DEFENSE.—The Secretary of Energy, in developing the criteria required by subsection (a), shall coordinate with the Secretary of Defense.

(c) REPORT.—Not later than March 1, 2000, the Secretary of Energy shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Rep-

resentatives a report on the efforts by the Department of Energy to develop the criteria required by subsection (a). The report shall include—

(1) a description of the information needed to determine that the nuclear weapons stockpile is safe and reliable and the relationship of the science-based tools to the collection of that information; and

(2) a description of the criteria required by subsection (a) to the extent they have been developed as of the date of the submission of the report.

SEC. 4203. PLAN FOR STEWARDSHIP, MANAGEMENT, AND CERTIFICATION OF WARHEADS IN THE NUCLEAR WEAPONS STOCKPILE.

(a) PLAN REQUIREMENT.—The Secretary of Energy shall develop and annually update a plan for maintaining the nuclear weapons stockpile. The plan shall cover, at a minimum, stockpile stewardship, stockpile management, and program direction and shall be consistent with the programmatic and technical requirements of the most recent annual Nuclear Weapons Stockpile Memorandum.

(b) PLAN ELEMENTS.—The plan and each update of the plan shall set forth the following:

(1) The number of warheads (including active and inactive warheads) for each warhead type in the nuclear weapons stockpile.

(2) The current age of each warhead type, and any plans for stockpile lifetime extensions and modifications or replacement of each warhead type.

(3) The process by which the Secretary of Energy is assessing the lifetime, and requirements for lifetime extension or replacement, of the nuclear and nonnuclear components of the warheads (including active and inactive warheads) in the nuclear weapons stockpile.

(4) The process used in recertifying the safety, security, and reliability of each warhead type in the nuclear weapons stockpile.

(5) Any concerns which would affect the ability of the Secretary of Energy to recertify the safety, security, or reliability of warheads in the nuclear weapons stockpile (including active and inactive warheads).

(c) ANNUAL SUBMISSION OF PLAN TO CONGRESS.—The Secretary of Energy shall submit to Congress the plan developed under subsection (a) not later than March 15, 1998, and shall submit an updated version of the plan not later than March 15 of each year thereafter. The plan shall be submitted in both classified and unclassified form.

SEC. 4204. NUCLEAR WEAPONS STOCKPILE LIFE EXTENSION PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Energy shall, in consultation with the Secretary of Defense, carry out a program to provide for the extension of the effective life of the weapons in the nuclear weapons stockpile.

(b) ADMINISTRATIVE RESPONSIBILITY FOR PROGRAM.—(1) The program under subsection (a) shall be carried out through the element of the Department of Energy with responsibility for defense programs.

(2) For each budget submitted by the President to Congress under section 1105 of title 31, United States Code, the amounts requested for the program shall be clearly identified in the budget justification materials submitted to Congress in support of that budget.

(c) PROGRAM PLAN.—As part of the program under subsection (a), the Secretary shall develop a long-term plan for the extension of the effective life of the weapons in the nuclear weapons stockpile. The plan shall include the following:

(1) Mechanisms to provide for the remanufacture, refurbishment, and modernization of each weapon design designated by the Secretary for inclusion in the enduring nuclear weapons stockpile as of October 5, 1999.

(2) Mechanisms to expedite the collection of information necessary for carrying out the program, including information relating to the aging of materials and components, new manufacturing techniques, and the replacement or substitution of materials.

(3) Mechanisms to ensure the appropriate assignment of roles and missions for each nuclear weapons laboratory and production plant of the Department, including mechanisms for allocation of workload, mechanisms to ensure the carrying out of appropriate modernization activities, and mechanisms to ensure the retention of skilled personnel.

(4) Mechanisms for allocating funds for activities under the program, including allocations of funds by weapon type and facility.

(5) An identification of the funds needed, in the current fiscal year and in each of the next five fiscal years, to carry out the program.

(d) ANNUAL SUBMITTAL OF PLAN.—(1) The Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives the plan developed under subsection (c) not later than January 1, 2000. The plan shall contain the maximum level of detail practicable.

(2) The Secretary shall submit to the committees referred to in paragraph (1) each year after 2000, at the same time as the submission of the budget for the fiscal year beginning in such year under section 1105 of title 31, United States Code, an update of the plan submitted under paragraph (1). Each update shall contain the same level of detail as the plan submitted under paragraph (1).

(e) GAO ASSESSMENT.—Not later than 30 days after the submission of the plan under subsection (d)(1) or any update of the plan under subsection (d)(2), the Comptroller General shall submit to the committees referred to in subsection (d)(1) an assessment of whether the program can be carried out under the plan or the update (as applicable)—

(1) in the current fiscal year, given the budget for that fiscal year; and

(2) in future fiscal years.

(f) SENSE OF CONGRESS REGARDING FUNDING OF PROGRAM.—It is the sense of Congress that the President should include in each budget for a fiscal year submitted to Congress under section 1105 of title 31, United States Code, sufficient funds to carry out in the fiscal year covered by such budget the activities under the program

under subsection (a) that are specified in the most current version of the plan for the program under this section.

SEC. [3141.] *4205.* ANNUAL ASSESSMENTS AND REPORTS TO THE PRESIDENT AND CONGRESS REGARDING THE CONDITION OF THE UNITED STATES NUCLEAR WEAPONS STOCKPILE.

(a) * * *

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(d) REPORT ON ASSESSMENTS.—Not later than December 1 of each year, each official specified in subsection (b) shall submit to the Secretary concerned, and to the Nuclear Weapons Council, a report on the assessments that such official was required by subsection (a) to complete. The report shall include the following:

(1) * * *

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(3) In the case of a report submitted by the head of a national security laboratory—

(A) * * *

(B) a concise statement regarding the adequacy of the tools and methods employed by the manufacturing infrastructure required by [section 3137 of the National Defense Authorization Act for Fiscal Year 1996 (42 U.S.C. 2121 note)] *section 4212* to identify and fix any inadequacy with respect to the matters covered by the assessments; and

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SEC. 4206. FORM OF CERTIFICATIONS REGARDING THE SAFETY OR RELIABILITY OF THE NUCLEAR WEAPONS STOCKPILE.

Any certification submitted to the President by the Secretary of Defense or the Secretary of Energy regarding confidence in the safety or reliability of a nuclear weapon type in the United States nuclear weapons stockpile shall be submitted in classified form only.

SEC. 4207. NUCLEAR TEST BAN READINESS PROGRAM.

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

(1) On September 17, 1987, the United States and the Soviet Union announced that they would resume full-scale, stage-by-stage negotiations on issues relating to nuclear testing, including further intermediate limitations on nuclear testing leading to the ultimate objective of a comprehensive nuclear test ban.

(2) It was agreed that the first step in these negotiations would be to reach agreement on verification measures that will make possible the ratification of the Threshold Test Ban Treaty of 1974 and the Peaceful Nuclear Explosions Treaty of 1976.

(3) To achieve the agreement on verification measures, the United States and the Soviet Union have agreed to design and conduct a Joint Verification Experiment at the test sites of each country during the summer of 1988.

(4) At the Moscow summit in May 1988, President Reagan and General Secretary Gorbachev reaffirmed their commitment to negotiations on "effective verification measures which will make it possible to ratify the Threshold Test Ban Treaty of 1974 and Peaceful Nuclear Explosions Treaty of 1976, and proceed to negotiating further intermediate limitations on nuclear test-

ing leading to the ultimate objective of the complete cessation of nuclear testing as part of an effective disarmament process".

(b) ESTABLISHMENT OF PROGRAM.—The Secretary of Energy shall establish and support a program to assure that the United States is in a position to maintain the reliability, safety, and continued deterrent effect of its stockpile of existing nuclear weapons designs in the event that a low-threshold or comprehensive ban on nuclear explosives testing is negotiated and ratified within the framework agreed to by the United States and the Soviet Union.

(c) PURPOSES OF PROGRAM.—The purposes of the program under subsection (b) shall be the following:

(1) To assure that the United States maintains a vigorous program of stockpile inspection and non-explosive testing so that, if a low-threshold or comprehensive test ban is entered into, the United States remains able to detect and identify potential problems in stockpile reliability and safety in existing designs of nuclear weapons.

(2) To assure that the specific materials, components, processes, and personnel needed for the remanufacture of existing nuclear weapons or the substitution of alternative nuclear warheads are available to support such remanufacture or substitution if such action becomes necessary in order to satisfy reliability and safety requirements under a low-threshold or comprehensive test ban agreement.

(3) To assure that a vigorous program of research in areas related to nuclear weapons science and engineering is supported so that, if a low-threshold or comprehensive test ban agreement is entered into, the United States is able to maintain a base of technical knowledge about nuclear weapons design and nuclear weapons effects.

(d) CONDUCT OF PROGRAM.—The Secretary of Energy shall carry out the program provided for in subsection (b). The program shall be carried out with the participation of representatives of the Department of Defense, the nuclear weapons production facilities, and the national nuclear weapons laboratories.

(e) ANNUAL REPORT.—The Secretary of Energy shall submit to Congress each year an unclassified report (with a classified annex as necessary) that describes the progress made to the date of the report in achieving the purposes of the program required to be established under subsection (b).

SEC. 4208. STUDY ON NUCLEAR TEST READINESS POSTURES.

(a) REPORT.—Not later than February 15, 1996, the Secretary of Energy shall submit to Congress a report on the costs, programmatic issues, and other issues associated with sustaining the capability of the Department of Energy—

(1) to conduct an underground nuclear test 6 months after the date on which the President determines that such a test is necessary to ensure the national security of the United States;

(2) to conduct such a test 18 months after such date; and

(3) to conduct such a test 36 months after such date.

(b) BIENNIAL UPDATE REPORT.—(1) Not later than February 15 of each odd-numbered year, the Secretary shall submit to the congressional defense committees a report containing an update of the report required under subsection (a), as updated by any report previously submitted under this paragraph.

(2) Each report under paragraph (1) shall include, as of the date of such report, the following:

(A) A list and description of the workforce skills and capabilities that are essential to carry out underground nuclear tests at the Nevada Test Site.

(B) A list and description of the infrastructure and physical plant that are essential to carry out underground nuclear tests at the Nevada Test Site.

(C) A description of the readiness status of the skills and capabilities described in subparagraph (A) and of the infrastructure and physical plant described in subparagraph (B).

(3) Each report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

SEC. [3143.] *4209.* REQUIREMENTS FOR SPECIFIC REQUEST FOR NEW OR MODIFIED NUCLEAR WEAPONS.

(a) REQUIREMENT FOR REQUEST FOR FUNDS FOR DEVELOPMENT.—(1) In any fiscal year after fiscal year 2002 in which the Secretary of Energy plans to carry out activities described in paragraph (2) relating to the development of a new nuclear weapon or modified nuclear weapon, the Secretary shall specifically request funds for such activities in the budget of the President for that fiscal year under section 1105(a) of title 31, United States Code.

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SEC. 4210. LIMITATION ON UNDERGROUND NUCLEAR WEAPONS TESTS.

No underground test of nuclear weapons may be conducted by the United States after September 30, 1996, unless a foreign state conducts a nuclear test after this date, at which time the prohibition on United States nuclear testing is lifted.

SEC. 4211. TESTING OF NUCLEAR WEAPONS.

(a) IN GENERAL.—Of the funds authorized to be appropriated under section 3101(a)(2) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) for the Department of Energy for fiscal year 1994 for weapons testing, $211,326,000 shall be available for infrastructure maintenance at the Nevada Test Site, and for maintaining the technical capability to resume underground nuclear testing at the Nevada Test Site.

(b) ATMOSPHERIC TESTING OF NUCLEAR WEAPONS.—None of the funds appropriated pursuant to the National Defense Authorization Act for Fiscal Year 1994 or any other Act for any fiscal year may be available to maintain the capability of the United States to conduct atmospheric testing of a nuclear weapon.

SEC. 4212. MANUFACTURING INFRASTRUCTURE FOR REFABRICATION AND CERTIFICATION OF NUCLEAR WEAPONS STOCKPILE.

(a) MANUFACTURING PROGRAM.—(1) The Secretary of Energy shall carry out a program for purposes of establishing within the Government a manufacturing infrastructure that has the capabilities of meeting the following objectives as specified in the Nuclear Posture Review:

(A) To provide a stockpile surveillance engineering base.

(B) To refabricate and certify weapon components and types in the enduring nuclear weapons stockpile, as necessary.

(C) To fabricate and certify new nuclear warheads, as necessary.

(D) To support nuclear weapons.

(E) To supply sufficient tritium in support of nuclear weapons to ensure an upload hedge in the event circumstances require.

(2) The purpose of the program carried out under paragraph (1) shall also be to develop manufacturing capabilities and capacities necessary to meet the requirements specified in the annual Nuclear Weapons Stockpile Review.

(b) REQUIRED CAPABILITIES.—The manufacturing infrastructure established under the program under subsection (a) shall include the following capabilities (modernized to attain the objectives referred to in that subsection):

(1) The weapons assembly capabilities of the Pantex Plant.

(2) The weapon secondary fabrication capabilities of the Y–12 Plant, Oak Ridge, Tennessee.

(3) The capabilities of the Savannah River Site relating to tritium recycling and fissile materials components processing and fabrication.

(4) The non-nuclear component capabilities of the Kansas City Plant.

(c) NUCLEAR POSTURE REVIEW.—For purposes of subsection (a), the term "Nuclear Posture Review" means the Department of Defense Nuclear Posture Review as contained in the Report of the Secretary of Defense to the President and the Congress dated February 19, 1995, or subsequent such reports.

(d) FUNDING.—Of the funds authorized to be appropriated under section 3101(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106), $143,000,000 shall be available for carrying out the program required under this section, of which—

(1) $35,000,000 shall be available for activities at the Pantex Plant;

(2) $30,000,000 shall be available for activities at the Y–12 Plant, Oak Ridge, Tennessee;

(3) $35,000,000 shall be available for activities at the Savannah River Site; and

(4) $43,000,000 shall be available for activities at the Kansas City Plant.

(e) PLAN AND REPORT.—The Secretary shall develop a plan for the implementation of this section. Not later than March 1, 1996, the Secretary shall submit to Congress a report on the obligations the Secretary has incurred, and plans to incur, during fiscal year 1996 for the program referred to in subsection (a).

SEC. 4213. REPORTS ON CRITICAL DIFFICULTIES AT NUCLEAR WEAPONS LABORATORIES AND NUCLEAR WEAPONS PRODUCTION PLANTS.

(a) REPORTS BY HEADS OF LABORATORIES AND PLANTS.—In the event of a difficulty at a nuclear weapons laboratory or a nuclear weapons production plant that has a significant bearing on confidence in the safety or reliability of a nuclear weapon or nuclear weapon type, the head of the laboratory or plant, as the case may be, shall submit to the Assistant Secretary of Energy for Defense Programs a report on the difficulty. The head of the laboratory or plant shall submit the report as soon as practicable after discovery of the difficulty.

(b) TRANSMITTAL BY ASSISTANT SECRETARY.—As soon as practicable after receipt of a report under subsection (a), the Assistant Secretary shall transmit the report (together with the comments of the Assistant Secretary) to the congressional defense committees, to the Secretary of Energy and the Secretary of Defense, and to the President.

(c) REPORTS BY NUCLEAR WEAPONS COUNCIL.—Section 179 of title 10, United States Code, is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection (e):

"(e) In addition to the responsibilities set forth in subsection (d), the Council shall also submit to Congress a report on any analysis conducted by the Council with respect to difficulties at nuclear weapons laboratories or nuclear weapons production plants that have significant bearing on confidence in the safety or reliability of nuclear weapons or nuclear weapon types.".

(d) INCLUSION OF REPORTS IN ANNUAL STOCKPILE CERTIFICATION.—Any report submitted pursuant to subsection (a) shall also be included with the decision documents that accompany the annual certification of the safety and reliability of the United States nuclear weapons stockpile which is provided to the President for the year in which such report is submitted.

(e) DEFINITIONS.—In this section:

(1) The term "nuclear weapons laboratory" means the following:

(A) Lawrence Livermore National Laboratory, California.

(B) Los Alamos National Laboratory, New Mexico.

(C) Sandia National Laboratories.

(2) The term "nuclear weapons production plant" means the following:

(A) The Pantex Plant, Texas.

(B) The Savannah River Site, South Carolina.

(C) The Kansas City Plant, Missouri.

(D) The Y–12 Plant, Oak Ridge, Tennessee.

Subtitle B—Tritium

SEC. 4231. TRITIUM PRODUCTION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Energy shall establish a tritium production program that is capable of meeting the tritium requirements of the United States for nuclear weapons. In carrying out the tritium production program, the Secretary shall—

(1) complete the tritium supply and recycling environmental impact statement in preparation by the Secretary as of February 10, 1996; and

(2) assess alternative means for tritium production, including production through—

(A) types of new and existing reactors, including multipurpose reactors (such as advanced light water reactors and gas turbine gas-cooled reactors) capable of meeting both the tritium production requirements and the pluto-

nium disposition requirements of the United States for nuclear weapons;

(B) an accelerator; and

(C) multipurpose reactor projects carried out by the private sector and the Government.

(b) FUNDING.—Of funds authorized to be appropriated to the Department of Energy pursuant to section 3101 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106), not more than $50,000,000 shall be available for the tritium production program established pursuant to subsection (a).

(c) LOCATION OF TRITIUM PRODUCTION FACILITY.—The Secretary shall locate any new tritium production facility of the Department of Energy at the Savannah River Site, South Carolina.

(d) COST-BENEFIT ANALYSIS.—(1) The Secretary shall include in the statements referred to in paragraph (2) a comparison of the costs and benefits of carrying out two projects for the separate performance of the tritium production mission of the Department and the plutonium disposition mission of the Department with the costs and benefits of carrying out one multipurpose project for the performance of both such missions.

(2) The statements referred to in paragraph (1) are—

(A) the environmental impact statement referred to in subsection (a)(1);

(B) the plutonium disposition environmental impact statement in preparation by the Secretary as of February 10, 1996; and

(C) assessments related to the environmental impact statements referred to in subparagraphs (A) and (B).

(e) REPORT.—Not later than 45 days after February 10, 1996, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the tritium production program established pursuant to subsection (a). The report shall include a specification of—

(1) the planned expenditures of the Department during fiscal year 1996 for any of the alternative means for tritium production assessed under subsection (a)(2);

(2) the amount of funds required to be expended by the Department, and the program milestones (including feasibility demonstrations) required to be met, during fiscal years 1997 through 2001 to ensure tritium production beginning not later than 2005 that is adequate to meet the tritium requirements of the United States for nuclear weapons; and

(3) the amount of such funds to be expended and such program milestones to be met during such fiscal years to ensure such tritium production beginning not later than 2011.

(f) TRITIUM TARGETS.—Of the funds made available pursuant to subsection (b), not more than $5,000,000 shall be available for the Idaho National Engineering Laboratory for the test and development of nuclear reactor tritium targets for the types of reactors assessed under subsection (a)(2)(A).

SEC. 4232. TRITIUM RECYCLING.

(a) IN GENERAL.—Except as provided in subsection (b), the following activities shall be carried out at the Savannah River Site, South Carolina:

(1) All tritium recycling for weapons, including tritium refitting.

(2) All activities regarding tritium formerly carried out at the Mound Plant, Ohio.

(b) EXCEPTION.—The following activities may be carried out at the Los Alamos National Laboratory, New Mexico:

(1) Research on tritium.

(2) Work on tritium in support of the defense inertial confinement fusion program.

(3) Provision of technical assistance to the Savannah River Site regarding the weapons surveillance program.

SEC. 4233. TRITIUM PRODUCTION.

(a) NEW TRITIUM PRODUCTION FACILITY.—The Secretary of Energy shall commence planning and design activities and infrastructure development for a new tritium production facility.

(b) IN-REACTOR TESTS.—The Secretary may perform in-reactor tests of tritium target rods as part of the activities carried out under the commercial light water reactor program.

SEC. 4234. MODERNIZATION AND CONSOLIDATION OF TRITIUM RECYCLING FACILITIES.

(a) IN GENERAL.—The Secretary of Energy shall carry out activities at the Savannah River Site, South Carolina, to—

(1) modernize and consolidate the facilities for recycling tritium from weapons; and

(2) provide a modern tritium extraction facility so as to ensure that such facilities have a capacity to recycle tritium from weapons that is adequate to meet the requirements for tritium for weapons specified in the Nuclear Weapons Stockpile Memorandum.

(b) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201), not more than $9,000,000 shall be available for activities under subsection (a).

SEC. 4235. PROCEDURES FOR MEETING TRITIUM PRODUCTION REQUIREMENTS.

(a) PRODUCTION OF NEW TRITIUM.—The Secretary of Energy shall produce new tritium to meet the requirements of the Nuclear Weapons Stockpile Memorandum at the Tennessee Valley Authority Watts Bar or Sequoyah nuclear power plants consistent with the Secretary's December 22, 1998, decision document designating the Secretary's preferred tritium production technology.

(b) SUPPORT.—To support the method of tritium production set forth in subsection (a), the Secretary shall design and construct a new tritium extraction facility in the H-Area of the Savannah River Site, Aiken, South Carolina.

(c) DESIGN AND ENGINEERING DEVELOPMENT.—The Secretary shall—

(1) complete preliminary design and engineering development of the Accelerator Production of Tritium technology design as a backup source of tritium to the source set forth in subsection (a) and consistent with the Secretary's December 22, 1998, decision document; and

(2) make available those funds necessary to complete engineering development and demonstration, preliminary design, and detailed design of key elements of the system consistent with the Secretary's decision document of December 22, 1998.

TITLE XLIII—PROLIFERATION MATTERS

SEC. 4301. INTERNATIONAL COOPERATIVE STOCKPILE STEWARDSHIP.

(a) FUNDING PROHIBITION.—No funds authorized to be appropriated or otherwise available to the Department of Energy for any fiscal year may be obligated or expended to conduct any activities associated with international cooperative stockpile stewardship.

(b) EXCEPTIONS.—Subsection (a) does not apply to the following:

(1) Activities conducted between the United States and the United Kingdom.

(2) Activities conducted between the United States and France.

(3) Activities carried out under title XIV of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) relating to cooperative threat reduction with states of the former Soviet Union.

SEC. 4302. NONPROLIFERATION INITIATIVES AND ACTIVITIES.

(a) INITIATIVE FOR PROLIFERATION PREVENTION PROGRAM.—(1) Not more than 35 percent of the funds available in any fiscal year after fiscal year 1999 for the Initiatives for Proliferation Prevention program (IPP) may be obligated or expended by the Department of Energy national laboratories to carry out or provide oversight of any activities under that program.

(2)(A) None of the funds available in any fiscal year after fiscal year 1999 for the Initiatives for Proliferation Prevention program may be used to increase or otherwise supplement the pay or benefits of a scientist or engineer if the scientist or engineer—

(i) is currently engaged in activities directly related to the design, development, production, or testing of chemical or biological weapons or a missile system to deliver such weapons; or

(ii) was not formerly engaged in activities directly related to the design, development, production, or testing of weapons of mass destruction or a missile system to deliver such weapons.

(B) None of the funds available in any fiscal year after fiscal year 1999 for the Initiatives for Proliferation Prevention program may be made available to an institute if the institute—

(i) is currently involved in activities described in subparagraph (A)(i); or

(ii) was not formerly involved in activities described in subparagraph (A)(ii).

(3)(A) No funds available for the Initiatives for Proliferation Prevention program may be provided to an institute or scientist under the program if the Secretary of Energy determines that the institute or scientist has made a scientific or business contact in any way associated with or related to weapons of mass destruction with a representative of a country of proliferation concern.

(B) For purposes of this paragraph, the term "country of proliferation concern" means any country so designated by the Director

of Central Intelligence for purposes of the Initiatives for Proliferation Prevention program.

(4)(A) The Secretary of Energy shall prescribe procedures for the review of projects under the Initiatives for Proliferation Prevention program. The purpose of the review shall be to ensure the following:

(i) That the military applications of such projects, and any information relating to such applications, is not inadvertently transferred or utilized for military purposes.

(ii) That activities under the projects are not redirected toward work relating to weapons of mass destruction.

(iii) That the national security interests of the United States are otherwise fully considered before the commencement of the projects.

(B) Not later than 30 days after the date on which the Secretary prescribes the procedures required by subparagraph (A), the Secretary shall submit to Congress a report on the procedures. The report shall set forth a schedule for the implementation of the procedures.

(5)(A) The Secretary shall evaluate the projects carried out under the Initiatives for Proliferation Prevention program for commercial purposes to determine whether or not such projects are likely to achieve their intended commercial objectives.

(B) If the Secretary determines as a result of the evaluation that a project is not likely to achieve its intended commercial objective, the Secretary shall terminate the project.

(6) Funds appropriated for the Initiatives for Proliferation Prevention program may not be used to pay any tax or customs duty levied by the government of the Russian Federation. In the event payment of such a tax or customs duty with such funds is unavoidable, the Secretary of Energy shall—

(A) after such payment, submit a report to the congressional defense committees explaining the particular circumstances making such payment under the Initiatives for Proliferation Prevention program with such funds unavoidable; and

(B) ensure that sufficient additional funds are provided to the Initiatives for Proliferation Prevention Program to offset the amount of such payment.

(b) NUCLEAR CITIES INITIATIVE.—(1) No amounts authorized to be appropriated by title XXXI of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) for the Nuclear Cities Initiative may be obligated or expended for purposes of the initiative until the Secretary of Energy certifies to Congress that Russia has agreed to close some of its facilities engaged in work on weapons of mass destruction.

(2) Notwithstanding a certification under paragraph (1), amounts authorized to be appropriated by this title for the Nuclear Cities Initiative may not be obligated or expended for purposes of providing assistance under the initiative to more than three nuclear cities, and more than two serial production facilities, in Russia in fiscal year 2000.

(3)(A) The Secretary shall conduct a study of the potential economic effects of each commercial program proposed under the Nuclear Cities Initiative before providing assistance for the conduct of the program. The study shall include an assessment regarding

whether or not the mechanisms for job creation under each program are likely to lead to the creation of the jobs intended to be created by that program.

(B) If the Secretary determines as a result of the study that the intended commercial benefits of a program are not likely to be achieved, the Secretary may not provide assistance for the conduct of that program.

(4) Not later than January 1, 2000, the Secretary shall submit to Congress a report describing the participation in or contribution to the Nuclear Cities Initiative of each department and agency of the United States Government that participates in or contributes to the initiative. The report shall describe separately any interagency participation in or contribution to the initiative.

(c) REPORT.—(1) Not later than January 1, 2000, the Secretary of Energy 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 Initiatives for Proliferation Prevention program and the Nuclear Cities Initiative.

(2) The report shall include the following:

(A) A strategic plan for the Initiatives for Proliferation Prevention program and for the Nuclear Cities Initiative, which shall establish objectives for the program or initiative, as the case may be, and means for measuring the achievement of such objectives.

(B) A list of the most successful projects under the Initiatives for Proliferation Prevention program, including for each such project the name of the institute and scientists who are participating or have participated in the project, the number of jobs created through the project, and the manner in which the project has met the nonproliferation objectives of the United States.

(C) A list of the institutes and scientists associated with weapons of mass destruction programs or other defense-related programs in the states of the former Soviet Union that the Department seeks to engage in commercial work under the Initiatives for Proliferation Prevention program or the Nuclear Cities Initiative, including—

(i) a description of the work performed by such institutes and scientists under such weapons of mass destruction programs or other defense-related programs; and

(ii) a description of any work proposed to be performed by such institutes and scientists under the Initiatives for Proliferation Prevention program or the Nuclear Cities Initiative.

(d) NUCLEAR CITIES INITIATIVE DEFINED.—For purposes of this section, the term "Nuclear Cities Initiative" means the initiative arising pursuant to the March 1998 discussions between the Vice President of the United States and the Prime Minister of the Russian Federation and between the Secretary of Energy of the United States and the Minister of Atomic Energy of the Russian Federation.

SEC. 4303. ANNUAL REPORT ON STATUS OF NUCLEAR MATERIALS PROTECTION, CONTROL, AND ACCOUNTING PROGRAM.

(a) REPORT REQUIRED.—Not later than January 1 of each year, the Secretary of Energy 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 status of efforts during the preceding fiscal year under the Nuclear Materials Protection, Control, and Accounting Program of the Department of Energy to secure weapons-usable nuclear materials in Russia that have been identified as being at risk for theft or diversion.

(b) CONTENTS.—Each report under subsection (a) shall include the following:

(1) The number of buildings, including building locations, that received complete and integrated materials protection, control, and accounting systems for nuclear materials described in subsection (a) during the year covered by such report.

(2) The amounts of highly enriched uranium and plutonium in Russia that have been secured under systems described in paragraph (1) as of the date of such report.

(3) The amount of nuclear materials described in subsection (a) that continues to require securing under systems described in paragraph (1) as of the date of such report.

(4) A plan for actions to secure the nuclear materials identified in paragraph (3) under systems described in paragraph (1), including an estimate of the cost of such actions.

(5) The amounts expended through the fiscal year preceding the date of such report to secure nuclear materials described in subsection (a) under systems described in paragraph (1), set forth by total amount and by amount per fiscal year.

(c) LIMITATION ON USE OF CERTAIN FUNDS.—(1) No amounts authorized to be appropriated for the Department of Energy by the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398) or any other Act for purposes of the Nuclear Materials Protection, Control, and Accounting Program may be obligated or expended after September 30, 2000, for any project under the program at a site controlled by the Russian Ministry of Atomic Energy (MINATOM) in Russia until the Secretary submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the access policy established with respect to such project, including a certification that the access policy has been implemented.

(2) The access policy with respect to a project under this subsection shall—

(A) permit appropriate determinations by United States officials regarding security requirements, including security upgrades, for the project; and

(B) ensure verification by United States officials that Department of Energy assistance at the project is being used for the purposes intended.

SEC. 4304. NUCLEAR CITIES INITIATIVE.

(a) IN GENERAL.—(1) The Secretary of Energy may, in accordance with the provisions of this section, expand and enhance the activities of the Department of Energy under the Nuclear Cities Initiative.

(2) In this section, the term "Nuclear Cities Initiative" means the initiative arising pursuant to the joint statement dated July 24, 1998, signed by the Vice President of the United States and the Prime Minister of the Russian Federation and the agreement dated

September 22, 1998, between the United States and the Russian Federation.

(b) FUNDING FOR FISCAL YEAR 2001.—There is hereby authorized to be appropriated for the Department of Energy for fiscal year 2001 $30,000,000 for purposes of the Nuclear Cities Initiative.

(c) LIMITATION PENDING SUBMISSION OF AGREEMENT.—No amount authorized to be appropriated or otherwise made available for the Department of Energy for fiscal year 2001 for the Nuclear Cities Initiative may be obligated or expended to provide assistance under the Initiative for more than three nuclear cities in Russia and two serial production facilities in Russia until 30 days after the date on which the Secretary of Energy submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a copy of a written agreement between the United States Government and the Government of the Russian Federation which provides that Russia will close some of its facilities engaged in nuclear weapons assembly and disassembly work.

(d) LIMITATION PENDING IMPLEMENTATION OF PROJECT REVIEW PROCEDURES.—(1) Not more than $8,750,000 of the amounts referred to in subsection (b) may be obligated or expended for purposes of the Initiative until the Secretary of Energy establishes and implements project review procedures for projects under the Initiative and submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the project review procedures so established and implemented.

(2) The project review procedures established under paragraph (1) shall ensure that any scientific, technical, or commercial project initiated under the Initiative—

(A) will not enhance the military or weapons of mass destruction capabilities of Russia;

(B) will not result in the inadvertent transfer or utilization of products or activities under such project for military purposes;

(C) will be commercially viable; and

(D) will be carried out in conjunction with an appropriate commercial, industrial, or nonprofit entity as partner.

(e) LIMITATION PENDING CERTIFICATION AND REPORT.—No amount in excess of $17,500,000 authorized to be appropriated for the Department of Energy for fiscal year 2001 for the Nuclear Cities Initiative may be obligated or expended for purposes of providing assistance under the Initiative until 30 days after the date on which the Secretary of Energy submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives the following:

(1) A copy of the written agreement between the United States and the Russian Federation which provides that Russia will close some of its facilities engaged in nuclear weapons assembly and disassembly work within five years of the date of the agreement in exchange for receiving assistance through the Initiative.

(2) A certification by the Secretary—

(A) that project review procedures for all projects under the Initiative have been established and are being implemented; and

(B) that those procedures will ensure that any scientific, technical, or commercial project initiated under the Initiative—

(i) will not enhance the military or weapons of mass destruction capabilities of Russia;

(ii) will not result in the inadvertent transfer or utilization of products or activities under such project for military purposes;

(iii) will be commercially viable within three years after the date of the initiation of the project; and

(iv) will be carried out in conjunction with an appropriate commercial, industrial, or other nonprofit entity as partner.

(3) A report setting forth the following:

(A) A description of the project review procedures process.

(B) A list of the projects under the Initiative that have been reviewed under such project review procedures.

(C) A description for each project listed under subparagraph (B) of the purpose, expected life-cycle costs, out-year budget costs, participants, commercial viability, expected time for income generation, and number of Russian jobs created.

(f) PLAN FOR RESTRUCTURING THE RUSSIAN NUCLEAR COMPLEX.—(1) The President, acting through the Secretary of Energy, is urged to enter into discussions with the Russian Federation for purposes of the development by the Russian Federation of a plan to restructure the Russian nuclear complex in order to meet changes in the national security requirements of Russia by 2010.

(2) The plan under paragraph (1) should include the following:

(A) Mechanisms to consolidate the nuclear weapons production capacity in Russia to a capacity that is consistent with the obligations of Russia under current and future arms control agreements.

(B) Mechanisms to increase transparency regarding the restructuring of the Russian nuclear complex and weapons-surplus nuclear materials inventories in Russia to the levels of transparency for such matters in the United States, including the participation of Department of Energy officials with expertise in transparency of such matters.

(C) Measurable milestones that will permit the United States and the Russian Federation to monitor progress under the plan.

(g) ENCOURAGEMENT OF CAREERS IN NONPROLIFERATION.—(1) In carrying out actions under this section, the Secretary of Energy may carry out a program to encourage students in the United States and in the Russian Federation to pursue careers in areas relating to nonproliferation.

(2) Of the amounts made available under the Initiative for fiscal year 2001 in excess of $17,500,000, up to $2,000,000 shall be available for purposes of the program under paragraph (1).

(3) The Administrator for Nuclear Security shall notify the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives before any funds are expended pursuant to paragraph (2). Any such notification shall include—

(A) an identification of the amount to be expended under paragraph (2) during fiscal year 2001;

(B) the recipients of the funds; and

(C) specific information on the activities that will be conducted using those funds.

(h) DEFINITIONS.—In this section:

(1) The term "nuclear city" means any of the closed nuclear cities within the complex of the Russian Ministry of Atomic Energy as follows:

(A) Sarov (Arzamas–16).

(B) Zarechnyy (Penza–19).

(C) Novoural'sk (Sverdlovsk–44).

(D) Lesnoy (Sverdlovsk–45).

(E) Ozersk (Chelyabinsk–65).

(F) Snezhinsk (Chelyabinsk–70).

(G) Trechgornyy (Zlatoust–36).

(H) Seversk (Tomsk–7).

(I) Zheleznogorsk (Krasnoyarsk–26).

(J) Zelenogorsk (Krasnoyarsk–45).

(2) The term "Russian nuclear complex" means all of the nuclear cities.

(3) The term "serial production facilities" means the facilities in Russia that are located at the following cities:

(A) Avangard.

(B) Lesnoy (Sverdlovsk–45).

(C) Trechgornyy (Zlatoust–36).

(D) Zarechnyy (Penza–19).

SEC. 4305. AUTHORITY TO CONDUCT PROGRAM RELATING TO FISSILE MATERIALS.

The Secretary of Energy may conduct programs designed to improve the protection, control, and accountability of fissile materials in Russia.

TITLE XLIV—ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT MATTERS

Subtitle A—Environmental Restoration and Waste Management

SEC. 4401. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT ACCOUNT.

(a) ESTABLISHMENT.—There is hereby established in the Treasury of the United States for the Department of Energy an account to be known as the "Defense Environmental Restoration and Waste Management Account" (hereafter in this section referred to as the "Account").

(b) AMOUNTS IN ACCOUNT.—All sums appropriated to the Department of Energy for environmental restoration and waste management at defense nuclear facilities shall be credited to the Account. Such appropriations shall be authorized annually by law. To the extent provided in appropriations Acts, amounts in the Account shall remain available until expended.

SEC. 4402. REQUIREMENT TO DEVELOP FUTURE USE PLANS FOR ENVIRONMENTAL MANAGEMENT PROGRAM.

(a) AUTHORITY TO DEVELOP FUTURE USE PLANS.—The Secretary of Energy may develop future use plans for any defense nuclear facility at which environmental restoration and waste management activities are occurring.

(b) REQUIREMENT TO DEVELOP FUTURE USE PLANS.—The Secretary shall develop a future use plan for each of the following defense nuclear facilities:

(1) Hanford Site, Richland, Washington.

(2) Rocky Flats Plant, Golden, Colorado.

(3) Savannah River Site, Aiken, South Carolina.

(4) Idaho National Engineering Laboratory, Idaho.

(c) CITIZEN ADVISORY BOARD.—(1) At each defense nuclear facility for which the Secretary of Energy intends or is required to develop a future use plan under this section and for which no citizen advisory board has been established, the Secretary shall establish a citizen advisory board.

(2) The Secretary may authorize the manager of a defense nuclear facility for which a future use plan is developed under this section (or, if there is no such manager, an appropriate official of the Department of Energy designated by the Secretary) to pay routine administrative expenses of a citizen advisory board established for that facility. Such payments shall be made from funds available to the Secretary for program direction in carrying out environmental restoration and waste management activities necessary for national security programs.

(d) REQUIREMENT TO CONSULT WITH CITIZEN ADVISORY BOARD.—In developing a future use plan under this section with respect to a defense nuclear facility, the Secretary of Energy shall consult with a citizen advisory board established pursuant to subsection (c) or a similar advisory board already in existence as of September 23, 1996, for such facility, affected local governments (including any local future use redevelopment authorities), and other appropriate State agencies.

(e) 50-YEAR PLANNING PERIOD.—A future use plan developed under this section shall cover a period of at least 50 years.

(f) DEADLINES.—For each facility listed in subsection (b), the Secretary of Energy shall develop a draft future use plan by October 1, 1997, and a final future use plan by March 15, 1998.

(g) REPORT.—Not later than 60 days after completing development of a final plan for a site listed in subsection (b), the Secretary of Energy shall submit to Congress a report on the plan. The report shall describe the plan and contain such findings and recommendations with respect to the site as the Secretary considers appropriate.

(h) SAVINGS PROVISIONS.—(1) Nothing in this section, or in a future use plan developed under this section with respect to a defense nuclear facility, shall be construed as requiring any modifica-

tion to a future use plan with respect to a defense nuclear facility that was developed before September 23, 1996.

(2) Nothing in this section may be construed to affect statutory requirements for an environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment, nor shall anything in this section be construed to preempt or impair any local land use planning or zoning authority or State authority.

SEC. 4403. INTEGRATED FISSILE MATERIALS MANAGEMENT PLAN.

(a) PLAN.—The Secretary of Energy shall develop a long-term plan for the integrated management of fissile materials by the Department of Energy. The plan shall—

(1) identify means of coordinating or integrating the responsibilities of the Office of Environmental Management, the Office of Fissile Materials Disposition, the Office of Nuclear Energy, and the Office of Defense Programs for the treatment, storage and disposition of fissile materials, and for the waste streams containing fissile materials, in order to achieve budgetary and other efficiencies in the discharge of those responsibilities; and

(2) identify any expenditures necessary at the sites that are anticipated to have an enduring mission for plutonium management in order to achieve the integrated management of fissile materials by the Department.

(b) SUBMITTAL TO CONGRESS.—The Secretary shall submit the plan required by subsection (a) to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives not later than March 31, 2000.

SEC. 4404. BASELINE ENVIRONMENTAL MANAGEMENT REPORTS.

(a) ANNUAL ENVIRONMENTAL RESTORATION REPORTS.—(1) The Secretary of Energy shall (in the years and at the times specified in paragraph (2)) submit to the Congress a report on the activities and projects necessary to carry out the environmental restoration of all Department of Energy defense nuclear facilities.

(2) Reports under paragraph (1) shall be submitted as follows:

(A) The initial report shall be submitted not later than March 1, 1995.

(B) A report after the initial report shall be submitted in each year after 1995 during which the Secretary of Energy conducts, or plans to conduct, environmental restoration activities and projects, not later than 30 days after the date on which the President submits to the Congress the budget for the fiscal year beginning in that year.

(b) BIENNIAL WASTE MANAGEMENT REPORTS.—(1) The Secretary of Energy shall (in the years and at the times specified in paragraph (2)) submit to the Congress a report on all activities and projects for waste management, including pollution prevention and transition of operational facilities to safe shutdown status, that are necessary for Department of Energy defense nuclear facilities.

(2) Reports required under paragraph (1) shall be submitted as follows:

(A) The initial report shall be submitted not later than June 1, 1995.

(B) A report after the initial report shall be submitted in each odd-numbered year after 1997, not later than 30 days after the date on which the President submits to the Congress the budget for the fiscal year beginning in that year.

(c) CONTENTS OF REPORTS.—A report required under subsection (a) or (b) shall be based on compliance with all applicable provisions of law, permits, regulations, orders, and agreements, and shall—

(1) provide the estimated total cost of, and the complete schedule for, the activities and projects covered by the report; and

(2) with respect to each such activity and project, contain—

(A) a description of the activity or project;

(B) a description of the problem addressed by the activity or project;

(C) the proposed remediation of the problem, if the remediation is known or decided;

(D) the estimated cost to complete the activity or project, including, where appropriate, the cost for every five-year increment; and

(E) the estimated date for completion of the activity or project, including, where appropriate, progress milestones for every five-year increment.

(d) BIENNIAL STATUS AND VARIANCE REPORTS.—(1)(A) The Secretary of Energy shall (in the years and at the time specified in subparagraph (B)) submit to the Congress a status and variance report on environmental restoration and waste management activities and projects at Department of Energy defense nuclear facilities.

(B) A report under subparagraph (A) shall be submitted in 1995 and in each odd-numbered year thereafter during which the Secretary of Energy conducts environmental restoration and waste management activities, not later than 30 days after the date on which the President submits to the Congress the budget for the fiscal year beginning in that year.

(2) Each status and variance report under paragraph (1) shall contain the following:

(A) Information on each such activity and project for which funds were appropriated for the two fiscal years immediately before the fiscal year during which the report is submitted, including the following:

(i) Information on whether or not the activity or project has been completed, and information on the estimated date of completion for activities or projects that have not been completed.

(ii) The total amount of funds expended for the activity or project during such prior fiscal years, including the amount of funds expended from amounts made available as the result of supplemental appropriations or a transfer of funds, and an estimate of the total amount of funds required to complete the activity or project.

(iii) Information on whether the President requested an amount of funds for the activity or project in the budget for

the fiscal year during which the report is submitted, and whether such funds were appropriated or transferred.

(iv) An explanation of the reasons for any projected cost variance between actual and estimated expenditures of more than 15 percent or $10,000,000, or any schedule delay of more than six months, for the activity or project.

(B) For the fiscal year during which the report is submitted, a disaggregation of the funds appropriated for Department of Energy defense environmental restoration and waste management into the activities and projects (including discrete parts of multiyear activities and projects) that the Secretary of Energy expects to accomplish during that fiscal year.

(C) For the fiscal year for which the budget is submitted, a disaggregation of the Department of Energy defense environmental restoration and waste management budget request into the activities and projects (including discrete parts of multiyear activities and projects) that the Secretary of Energy expects to accomplish during that fiscal year.

(e) COMPLIANCE TRACKING.—In preparing a report under this section, the Secretary of Energy shall provide, with respect to each activity and project identified in the report, information which is sufficient to track the Department of Energy's compliance with relevant Federal and State regulatory milestones.

SEC. 4405. ACCELERATED SCHEDULE FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT ACTIVITIES.

(a) ACCELERATED CLEANUP.—The Secretary of Energy shall accelerate the schedule for environmental restoration and waste management activities and projects for a site at a Department of Energy defense nuclear facility if the Secretary determines that such an accelerated schedule will achieve meaningful, long-term cost savings to the Federal Government and could substantially accelerate the release of land for local reuse.

(b) CONSIDERATION OF FACTORS.—In making a determination under subsection (a), the Secretary shall consider the following:

(1) The cost savings achievable by the Federal Government.

(2) The amount of time for completion of environmental restoration and waste management activities and projects at the site that can be reduced from the time specified for completion of such activities and projects in the baseline environmental management report required to be submitted for 1995 under section 3153 of the National Defense Authorization Act for Fiscal Year 1994 (42 U.S.C. 7274k), the predecessor provision to section 4404 of this Act.

(3) The potential for reuse of the site.

(4) The risks that the site poses to local health and safety.

(5) The proximity of the site to populated areas.

(c) REPORT.—Not later than May 1, 1996, the Secretary shall submit to Congress a report on each site for which the Secretary has accelerated the schedule for environmental restoration and waste management activities and projects under subsection (a). The report shall include an explanation of the basis for the determination for that site required by such subsection, including an explanation of the consideration of the factors described in subsection (b).

(d) SAVINGS PROVISION.—Nothing in this section may be construed to affect a specific statutory requirement for a specific envi-

ronmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment.

SEC. 4406. DEFENSE WASTE CLEANUP TECHNOLOGY PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Energy shall establish and carry out a program of research for the development of technologies useful for (1) the reduction of environmental hazards and contamination resulting from defense waste, and (2) environmental restoration of inactive defense waste disposal sites.

(b) COORDINATION OF RESEARCH ACTIVITIES.—(1) In order to ensure nonduplication of research activities by the Department of Energy regarding technologies referred to in subsection (a), the Secretary shall coordinate the research activities of the Department of Energy relating to the development of such technologies with the research activities of the Environmental Protection Agency, the Department of Defense, and other appropriate Federal agencies relating to the same matter.

(2) To the extent that funds are otherwise available for obligation, the Secretary may enter into cooperative agreements with the Environmental Protection Agency, the Department of Defense, and other appropriate Federal agencies for the conduct of research for the development of technologies referred to in subsection (a).

(c) REPORT.—(1) The Secretary shall submit to Congress not later than April 1 each year a report on the research activities of the Department of Energy for the development of technologies referred to in subsection (a). The report shall cover such activities for the fiscal year preceding the fiscal year in which the report is submitted. The Secretary shall include in the report the following:

(A) A description and assessment of each research program being carried out by or for the Department of Energy and the identification of the individual laboratory, contractor, or institution of higher education responsible for the research program.

(B) An assessment of the extent to which (i) there are practical applications of the technologies being researched, and (ii) such technologies will likely facilitate compliance by the Department of Energy with applicable environmental laws and regulations.

(C) An accounting of the funds allocated to each research program and to each laboratory, contractor, or institution of higher education carrying out the research program.

(D) An assessment of the research projects that have been coordinated with the Environmental Protection Agency, the Department of Defense, and other appropriate Federal agencies pursuant to subsection (b).

(2) The first report required by paragraph (1) shall be submitted not later than April 1, 1990.

(d) DEFINITIONS.—As used in this section:

(1) The term "defense waste" means waste, including radioactive waste, resulting primarily from atomic energy defense activities of the Department of Energy.

(2) The term "inactive defense waste disposal site" means any site (including any facility) under the control or jurisdiction of the Secretary of Energy which is used for the disposal of de-

fense waste and is closed to the disposal of additional defense waste, including any site that is subject to decontamination and decommissioning.

SEC. 4407. REPORT ON ENVIRONMENTAL RESTORATION EXPENDITURES.

Each year, at the same time the President submits to Congress the budget for a fiscal year (pursuant to section 1105 of title 31, United States Code), the Secretary of Energy shall submit to Congress a report on how the environmental restoration and waste management funds for defense activities of the Department of Energy were expended during the fiscal year preceding the fiscal year during which the budget is submitted. The report shall include details on expenditures by operations office, installation, budget category, and activity. The report also shall include any schedule changes or modifications to planned activities for the fiscal year in which the budget is submitted.

SEC. 4408. PUBLIC PARTICIPATION IN PLANNING FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT AT DEFENSE NUCLEAR FACILITIES.

The Secretary of Energy shall consult with the Administrator of the Environmental Protection Agency, the Attorney General, Governors and Attorneys General of affected States, appropriate representatives of affected Indian tribes, and interested members of the public in any planning conducted by the Secretary for environmental restoration and waste management at Department of Energy defense nuclear facilities.

Subtitle B—Closure of Facilities

SEC. 4421. PROJECTS TO ACCELERATE CLOSURE ACTIVITIES AT DEFENSE NUCLEAR FACILITIES.

(a) IN GENERAL.—The Secretary of Energy shall select and carry out closure-acceleration projects in accordance with this section.

(b) PURPOSE.—The purpose of a closure-acceleration project shall be, within a fixed period of time, to clean up or decommission a Department of Energy defense nuclear facility or portion thereof and to make the facility safe by stabilizing, consolidating, treating, or removing nuclear materials from the facility in order to reduce significantly or eliminate future costs at the facility.

(c) ELIGIBLE PROJECTS.—(1) The Secretary of Energy may establish a closure-acceleration project as eligible for selection under subsection (e) by—

(A) developing a plan for the project that meets the criteria under paragraph (2); and

(B) determining that the project will achieve significant long-term cost savings to the Federal Government from the baseline cost estimate made by the Department of Energy for the project.

(2) A plan for a closure-acceleration project under this section shall—

(A) define a clear, delineated scope of work for completion of the project;

(B) demonstrate that, with respect to the site of the proposed project, there is a regulatory agreement between the Department of Energy and other appropriate authorities for the implementation of environmental remediation requirements that would allow for successful completion of the project;

(C) demonstrate, to the maximum extent possible, the support of State and local elected officials and the public for the project;

(D) contain performance-based provisions to be included in the contract for the project, including—

(i) clearly stated and results-oriented performance criteria and measures;

(ii) appropriate incentives for the contractor to meet and exceed the performance criteria effectively and efficiently;

(iii) appropriate criteria and incentives for the contractor to seek and engage subcontractors who may more effectively and efficiently perform either unique and technologically challenging tasks or routine and interchangeable services;

(iv) specific incentives for cost savings;

(v) financial accountability; and

(vi) when appropriate, reduction of fee for failure to meet minimum performance criteria and standards;

(E) demonstrate that the project will use new and innovative cleanup and waste management technology with potential for application to other locations and facilities without requiring the development of new technologies; and

(F) demonstrate that the project can be completed within 10 years from the date of its selection.

(d) PROGRAM ADMINISTRATION.—The Secretary of Energy, acting through the Assistant Secretary for Environmental Management, shall implement a program to carry out the provisions of this section.

(e) SELECTION OF PROJECTS.—(1) The Secretary of Energy shall select closure-acceleration projects to be carried out under this section from among those projects established as eligible under subsection (c) that will result in the most significant long-term cost savings to the Government and the most significant reduction of imminent risk.

(2) For each project selected, the Secretary shall submit to Congress a report setting forth the reasons why the project was selected, based on the criteria under subsection (c)(2) and paragraph (1) of this subsection.

(f) MULTIYEAR CONTRACTS.—Notwithstanding section 304B(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254c(d)), the Secretary of Energy may enter into multiyear contracts to carry out projects selected under this section for up to 10 program years.

(g) FUNDING.—(1) In the budget submitted to Congress under section 1105(a) of title 31, United States Code, each year, the President shall set forth funds for carrying out closure-acceleration projects under this section as a separate item in the environmental restoration and waste management account of the Department of Energy budget.

(2) Funds appropriated for purposes of carrying out projects under this section shall remain available until expended.

(3) If a closure-acceleration project is being carried out at a defense nuclear facility with funds appropriated for such projects, the Secretary of Energy may not reduce the funds otherwise allocated to that defense nuclear facility for environmental restoration and waste management by reason of the funds being used for the project at that facility.

(4) Funds appropriated for purposes of carrying out projects under this section may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(h) ANNUAL REPORT.—The Secretary of Energy shall submit each year to Congress a report on the status of each closure-acceleration project being carried out under this section. The report shall include, for each such project, the following:

(1) A description of the funding already provided for the project.

(2) A description of the extent of the cleanup, decommissioning, stabilization, consolidation, treatment, or removal activities completed.

(3) A comparison of the actual results of the project to the original proposal and the actual cost of the project to the originally proposed cost.

(4) A description of the funding needed in future fiscal years for completion of the project.

(i) DURATION OF PROGRAM.—No closure-acceleration project selected under this section may be carried out after September 23, 2011.

(j) SAVINGS PROVISION.—Nothing in this section may be construed to affect statutory requirements for an environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment, nor shall anything in this section be construed to preempt or impair any local land use planning or zoning authority or State authority.

SEC. 4422. REPORTS IN CONNECTION WITH PERMANENT CLOSURES OF DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITIES.

(a) TRAINING AND JOB PLACEMENT SERVICES PLAN.—Not later than 120 days before a Department of Energy defense nuclear facility (as defined in section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286(g)) permanently ceases all production and processing operations, the Secretary of Energy must submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing a discussion of the training and job placement services needed to enable the employees at such facility to obtain employment in the environmental remediation and cleanup activities at such facility. The discussion shall include the actions that should be taken by the contractor operating and managing such facility to provide retraining and job placement services to employees of such contractor.

(b) CLOSURE REPORT.—Upon the permanent cessation of production operations at a Department of Energy defense nuclear facility,

the Secretary of Energy shall submit to Congress a report containing—

(1) a complete survey of environmental problems at the facility;

(2) budget quality data indicating the cost of environmental restoration and other remediation and cleanup efforts at the facility; and

(3) a discussion of the proposed cleanup schedule.

Subtitle C—Privatization

SEC. 4431. DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION PROJECTS.

(a) AUTHORITY TO ENTER INTO CONTRACTS.—The Secretary of Energy may, using funds authorized to be appropriated by section 3102(i) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) for a project referred to in that section, enter into a contract that—

(1) is awarded on a competitive basis;

(2) requires the contractor to construct or acquire any equipment or facilities required to carry out the contract;

(3) requires the contractor to bear any of the costs of the construction, acquisition, and operation of such equipment or facilities that arise before the commencement of the provision of goods or services under the contract; and

(4) provides for payment to the contractor under the contract only upon the meeting of performance specifications in the contract.

(b) NOTICE AND WAIT.—(1) The Secretary may not enter into a contract under subsection (a), exercise an authorization to proceed with such a contract or extend any contract period for such a contract by more than one year until 30 days after the date on which the Secretary submits to the congressional defense committees a report with respect to the contract.

(2) Except as provided in paragraph (3), a report under paragraph (1) with respect to a contract shall set forth—

(A) the anticipated costs and fees of the Department under the contract, including the anticipated maximum amount of such costs and fees;

(B) any performance specifications in the contract;

(C) the anticipated dates of commencement and completion of the provision of goods or services under the contract;

(D) the allocation between the Department and the contractor of any financial, regulatory, or environmental obligations under the contract;

(E) any activities planned or anticipated to be required with respect to the project after completion of the contract;

(F) the site services or other support to be provided the contractor by the Department under the contract;

(G) the goods or services to be provided by the Department or contractor under the contract, including any additional obligations to be borne by the Department or contractor with respect to such goods or services;

(H) if the contract provides for financing of the project by an entity or entities other than the United States, a detailed

comparison of the costs of financing the project through such entity or entities with the costs of financing the project by the United States;

(I) the schedule for the contract;

(J) the costs the Department would otherwise have incurred in obtaining the goods or services covered by the contract if the Department had not proposed to obtain the goods or services under this section;

(K) an estimate and justification of the cost savings, if any, to be realized through the contract, including the assumptions underlying the estimate;

(L) the effect of the contract on any ancillary schedules applicable to the facility concerned, including milestones in site compliance agreements; and

(M) the plans for maintaining financial and programmatic accountability for activities under the contract.

(3) In the case of a contract under subsection (a) at the Hanford Reservation, the report under paragraph (1) shall set forth—

(A) the matters specified in paragraph (2); and

(B) if the contract contemplates two pilot vitrification plants—

(i) an analysis of the basis for the selection of each of the plants in lieu of a single pilot vitrification plant; and

(ii) a detailed comparison of the costs to the United States of two pilot plants with the costs to the United States of a single pilot plant.

(c) COST VARIATIONS.—(1)(A) The Secretary may not enter into a contract for a project referred to in subparagraph (B), or obligate funds attributable to the capital portion of the cost of such a contract, whenever the current estimated cost of the project exceeds the amount of the estimated cost of the project as shown in the most recent budget justification data submitted to Congress.

(B) Subparagraph (A) applies to the following:

(i) A project authorized by section 3102(i) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85).

(ii) A project authorized by section 3103 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2824) for which a contract has not been entered into as of November 18, 1997.

(2) The Secretary may not obligate funds attributable to the capital portion of the cost of a contract entered into before such date for a project authorized by such section 3103 whenever the current estimated cost of the project equals or exceeds 110 percent of the amount of the estimated cost of the project as shown in the most recent budget justification data submitted to Congress.

(d) USE OF FUNDS FOR TERMINATION OF CONTRACT.—Not later than 15 days before the Secretary obligates funds available for a project authorized by section 3102(i) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) to terminate the contract for the project under subsection (a), the Secretary shall notify the congressional defense committees of the Secretary's intent to obligate the funds for that purpose.

(e) ANNUAL REPORT ON CONTRACTS.—(1) Not later than February 28 of each year, the Secretary shall submit to the congres-

sional defense committees a report on the activities, if any, carried out under each contract referred to in paragraph (2) during the preceding year. The report shall include an update with respect to each such contract of the matters specified under subsection (b)(1) as of the date of the report.

(2) A contract referred to in paragraph (1) is the following:

(A) A contract under subsection (a) for a project referred to in that subsection.

(B) A contract under section 3103 of the National Defense Authorization Act for Fiscal Year 1997.

(f) ASSESSMENT OF CONTRACTING WITHOUT SUFFICIENT APPROPRIATIONS.—Not later than 90 days after November 18, 1997, the Secretary shall submit to the congressional defense committees a report assessing whether, and under what circumstances, the Secretary could enter into contracts for defense environmental management privatization projects in the absence of sufficient appropriations to meet obligations under such contracts without thereby violating the provisions of section 1341 of title 31, United States Code.

TITLE XLV—SAFEGUARDS AND SECURITY MATTERS

Subtitle A—Safeguards and Security

SEC. 4501. PROHIBITION ON INTERNATIONAL INSPECTIONS OF DEPARTMENT OF ENERGY FACILITIES UNLESS PROTECTION OF RESTRICTED DATA IS CERTIFIED.

(a) PROHIBITION ON INSPECTIONS.—The Secretary of Energy may not allow an inspection of a nuclear weapons facility by the International Atomic Energy Agency until the Secretary certifies to Congress that no restricted data will be revealed during such inspection.

(b) EXTENSION OF NOTICE-AND-WAIT REQUIREMENT REGARDING PROPOSED COOPERATION AGREEMENTS.—Section 3155(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 3092) is amended by striking out "December 31, 1995" and inserting in lieu thereof "October 1, 1996".

(c) RESTRICTED DATA DEFINED.—In this section, the term "restricted data" has the meaning provided by section 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

SEC. 4502. RESTRICTIONS ON ACCESS TO NATIONAL LABORATORIES BY FOREIGN VISITORS FROM SENSITIVE COUNTRIES.

(a) BACKGROUND REVIEW REQUIRED.—The Secretary of Energy may not admit to any facility of a national laboratory other than areas accessible to the general public any individual who is a citizen or agent of a nation that is named on the current sensitive countries list unless the Secretary first completes a background review with respect to that individual.

(b) MORATORIUM PENDING CERTIFICATION.—(1) During the period described in paragraph (2), the Secretary may not admit to any facility of a national laboratory other than areas accessible to the general public any individual who is a citizen or agent of a nation that is named on the current sensitive countries list.

(2) The period referred to in paragraph (1) is the period beginning on November 4, 1999, and ending on the later of the following:

(A) January 3, 2000.

(B) The date that is 45 days after the date on which the Secretary submits to Congress the certifications described in paragraph (3).

(3) The certifications referred to in paragraph (2) are one certification each by the Director of Counterintelligence of the Department of Energy, the Director of the Federal Bureau of Investigation, and the Director of Central Intelligence, of each of the following:

(A) That the foreign visitors program at that facility complies with applicable orders, regulations, and policies of the Department of Energy relating to the safeguarding and security of sensitive information and fulfills any counterintelligence requirements arising under such orders, regulations, and policies.

(B) That the foreign visitors program at that facility complies with Presidential Decision Directives and similar requirements relating to the safeguarding and security of sensitive information and fulfills any counterintelligence requirements arising under such Directives or requirements.

(C) That the foreign visitors program at that facility includes adequate protections against the inadvertent release of Restricted Data, information important to the national security of the United States, and any other sensitive information the disclosure of which might harm the interests of the United States.

(D) That the foreign visitors program at that facility does not pose an undue risk to the national security interests of the United States.

(c) WAIVER OF MORATORIUM.—(1) The Secretary of Energy may waive the prohibition in subsection (b) on a case-by-case basis with respect to any specific individual or any specific delegation of individuals whose admission to a national laboratory is determined by the Secretary to be in the interest of the national security of the United States.

(2) Not later than the seventh day of the month following a month in which a waiver is made, the Secretary shall submit a report in writing providing notice of each waiver made in that month to the following:

(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

(3) Each such report shall be in classified form and shall contain the identity of each individual or delegation for whom such a waiver was made and, with respect to each such individual or delegation, the following information:

(A) A detailed justification for the waiver.

(B) For each individual with respect to whom a background review was conducted, whether the background review determined that negative information exists with respect to that individual.

(C) The Secretary's certification that the admission of that individual or delegation to a national laboratory is in the interest of the national security of the United States.

(4) The authority of the Secretary under paragraph (1) may be delegated only to the Director of Counterintelligence of the Department of Energy.

(d) EXCEPTION TO MORATORIUM FOR CERTAIN INDIVIDUALS.—The moratorium under subsection (b) shall not apply to any person who—

(1) is, on October 5, 1999, an employee or assignee of the Department of Energy, or of a contractor of the Department; and

(2) has undergone a background review in accordance with subsection (a).

(e) EXCEPTION TO MORATORIUM FOR CERTAIN PROGRAMS.—The moratorium under subsection (b) shall not apply—

(1) to activities relating to cooperative threat reduction with states of the former Soviet Union; or

(2) to the materials protection control and accounting program of the Department.

(f) SENSE OF CONGRESS REGARDING BACKGROUND REVIEWS.—It is the sense of Congress that the Secretary of Energy, the Director of the Federal Bureau of Investigation, and the Director of Central Intelligence should ensure that background reviews carried out under this section are completed in not more than 15 days.

(g) DEFINITIONS.—For purposes of this section:

(1) The term "background review", commonly known as an indices check, means a review of information provided by the Director of Central Intelligence and the Director of the Federal Bureau of Investigation regarding personal background, including information relating to any history of criminal activity or to any evidence of espionage.

(2) The term "sensitive countries list" means the list prescribed by the Secretary of Energy known as the Department of Energy List of Sensitive Countries as in effect on January 1, 1999.

(3) The term "national laboratory" means any of the following:

(A) Lawrence Livermore National Laboratory, Livermore, California.

(B) Los Alamos National Laboratory, Los Alamos, New Mexico.

(C) Sandia National Laboratories, Albuquerque, New Mexico and Livermore, California.

(4) The term "Restricted Data" has the meaning given that term in section 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

SEC. 4503. BACKGROUND INVESTIGATIONS OF CERTAIN PERSONNEL AT DEPARTMENT OF ENERGY FACILITIES.

(a) IN GENERAL.—The Secretary of Energy shall ensure that an investigation meeting the requirements of section 145 of the Atomic Energy Act of 1954 (42 U.S.C. 2165) is made for each Department of Energy employee, or contractor employee, at a national laboratory or nuclear weapons production facility who—

(1) carries out duties or responsibilities in or around a location where Restricted Data is present; or

(2) has or may have regular access to a location where Restricted Data is present.

(b) COMPLIANCE.—The Secretary shall have 15 months from October 5, 1999, to meet the requirement in subsection (a).

(c) DEFINITIONS.—In this section, the terms "national laboratory" and "Restricted Data" have the meanings given such terms in section 4502(g)).

SEC. 4504. DEPARTMENT OF ENERGY COUNTERINTELLIGENCE POLYGRAPH PROGRAM.

(a) NEW COUNTERINTELLIGENCE POLYGRAPH PROGRAM REQUIRED.—The Secretary of Energy shall carry out, under regulations prescribed under this section, a new counterintelligence polygraph program for the Department of Energy. The purpose of the new program is to minimize the potential for release or disclosure of classified data, materials, or information.

(b) AUTHORITIES AND LIMITATIONS.—(1) The Secretary shall prescribe regulations for the new counterintelligence polygraph program required by subsection (a) in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code (commonly referred to as the Administrative Procedures Act).

(2) In prescribing regulations for the new program, the Secretary shall take into account the results of the Polygraph Review.

(3) Not later than six months after obtaining the results of the Polygraph Review, the Secretary shall issue a notice of proposed rulemaking for the new program.

(c) REPEAL OF EXISTING POLYGRAPH PROGRAM.—Effective 30 days after the Secretary submits to the congressional defense committees the Secretary's certification that the final rule for the new counterintelligence polygraph program required by subsection (a) has been fully implemented, section 4504A is repealed.

(d) REPORT ON FURTHER ENHANCEMENT OF PERSONNEL SECURITY PROGRAM.—(1) Not later than January 1, 2003, the Administrator for Nuclear Security shall submit to Congress a report setting forth the recommendations of the Administrator for any legislative action that the Administrator considers appropriate in order to enhance the personnel security program of the Department of Energy.

(2) Any recommendations under paragraph (1) regarding the use of polygraphs shall take into account the results of the Polygraph Review.

(e) POLYGRAPH REVIEW DEFINED.—In this section, the term "Polygraph Review" means the review of the Committee to Review the Scientific Evidence on the Polygraph of the National Academy of Sciences.

SEC. 4504A. COUNTERINTELLIGENCE POLYGRAPH PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Energy, acting through the Director of Counterintelligence, shall carry out a counterintelligence polygraph program for the defense-related activities of the Department. The counterintelligence polygraph program shall consist of the administration of counterintelligence polygraph examinations to each covered person who has access to high-risk programs.

(b) COVERED PERSONS.—(1) Subject to paragraph (2), for purposes of this section, a covered person is one of the following:

(A) An officer or employee of the Department.

(B) An expert or consultant under contract to the Department.

(C) An officer or employee of a contractor of the Department.

(D) An individual assigned or detailed to the Department.

(E) An applicant for a position in the Department.

(2) A person described in paragraph (1) is a covered person for purposes of this section only if the position of the person, or for which the person is applying, under that paragraph is a position in one of the categories of positions listed in section 709.4(a) of title 10, Code of Federal Regulations.

(c) HIGH-RISK PROGRAMS.—For purposes of this section, high-risk programs are the following:

(1) Programs using information known as Sensitive Compartmented Information.

(2) The programs known as Special Access Programs and Personnel Security and Assurance Programs.

(3) Any other program or position category specified in section 709.4(a) of title 10, Code of Federal Regulations.

(d) INITIAL TESTING AND CONSENT.—(1) The Secretary may not permit a covered person to have initial access to any high-risk program unless that person first undergoes a counterintelligence polygraph examination and consents in a signed writing to the counterintelligence polygraph examinations required by this section.

(2) Subject to paragraph (3), the Secretary may, after consultation with appropriate security personnel, waive the applicability of paragraph (1) to a covered person—

(A) if—

(i) the Secretary determines that the waiver is important to the national security interests of the United States;

(ii) the covered person has an active security clearance; and

(iii) the covered person acknowledges in a signed writing that the capacity of the covered person to perform duties under a high-risk program after the expiration of the waiver is conditional upon meeting the requirements of paragraph (1) within the effective period of the waiver;

(B) if another Federal agency certifies to the Secretary that the covered person has completed successfully a full-scope or counterintelligence-scope polygraph examination during the 5-year period ending on the date of the certification; or

(C) if the Secretary determines, after consultation with the covered person and appropriate medical personnel, that the treatment of a medical or psychological condition of the covered person should preclude the administration of the examination.

(3)(A) The Secretary may not commence the exercise of the authority under paragraph (2) to waive the applicability of paragraph (1) to any covered persons until 15 days after the date on which the Secretary submits to the appropriate committees of Congress a report setting forth the criteria to be used by the Secretary for determining when a waiver under paragraph (2)(A) is important to the national security interests of the United States. The criteria shall

not include the need to maintain the scientific vitality of the laboratory. The criteria shall include an assessment of counterintelligence risks and programmatic impacts.

(B) Any waiver under paragraph (2)(A) shall be effective for not more than 120 days, and a person who is subject to a waiver under paragraph (2)(A) may not ever be subject to another waiver under paragraph (2)(A).

(C) Any waiver under paragraph (2)(C) shall be effective for the duration of the treatment on which such waiver is based.

(4) The Secretary shall submit to the appropriate committees of Congress on a semi-annual basis a report on any determinations made under paragraph (2)(A) during the 6-month period ending on the date of such report. The report shall include a national security justification for each waiver resulting from such determinations.

(5) In this subsection, the term "appropriate committees of Congress" means the following:

(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

(6) It is the sense of Congress that the waiver authority in paragraph (2) not be used by the Secretary to exempt from the applicability of paragraph (1) any covered persons in the highest risk categories, such as persons who have access to the most sensitive weapons design information and other highly sensitive programs, including special access programs.

(7) The authority under paragraph (2) to waive the applicability of paragraph (1) to a covered person shall expire on September 30, 2002.

(e) ADDITIONAL TESTING.—The Secretary may not permit a covered person to have continued access to any high-risk program unless that person undergoes a counterintelligence polygraph examination within five years after that person has initial access, and thereafter—

(1) not less frequently than every five years; and

(2) at any time at the direction of the Director of Counterintelligence.

(f) COUNTERINTELLIGENCE POLYGRAPH EXAMINATION.—For purposes of this section, the term "counterintelligence polygraph examination" means a polygraph examination using questions reasonably calculated to obtain counterintelligence information, including questions relating to espionage, sabotage, terrorism, unauthorized disclosure of classified information, deliberate damage to or malicious misuse of a United States Government information or defense system, and unauthorized contact with foreign nationals.

(g) REGULATIONS.—The Secretary shall prescribe any regulations necessary to carry out this section. Those regulations shall include procedures, to be developed in consultation with the Federal Bureau of Investigation, for—

(1) identifying and addressing "false positive" results of polygraph examinations; and

(2) ensuring that adverse personnel actions not be taken against an individual solely by reason of that individual's physiological reaction to a question in a polygraph examination, un-

less reasonable efforts are first made to independently determine through alternative means the veracity of that individual's response to that question.

(h) PLAN FOR EXTENSION OF PROGRAM.—Not later than April 5, 2000, 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 plan on extending the program required by this section. The plan shall provide for the administration of counterintelligence polygraph examinations in accordance with the program to each covered person who has access to—

(1) the programs known as Personnel Assurance Programs; and

(2) the information identified as Sensitive Compartmented Information.

SEC. 4505. NOTICE TO CONGRESSIONAL COMMITTEES OF CERTAIN SECURITY AND COUNTERINTELLIGENCE FAILURES WITHIN NUCLEAR ENERGY DEFENSE PROGRAMS.

(a) REQUIRED NOTIFICATION.—The Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives a notification of each significant nuclear defense intelligence loss. Any such notification shall be provided only after consultation with the Director of Central Intelligence and the Director of the Federal Bureau of Investigation, as appropriate.

(b) SIGNIFICANT NUCLEAR DEFENSE INTELLIGENCE LOSSES.—In this section, the term "significant nuclear defense intelligence loss" means any national security or counterintelligence failure or compromise of classified information at a facility of the Department of Energy or operated by a contractor of the Department that the Secretary considers likely to cause significant harm or damage to the national security interests of the United States.

(c) MANNER OF NOTIFICATION.—Notification of a significant nuclear defense intelligence loss under subsection (a) shall be provided, in accordance with the procedures established pursuant to subsection (d), not later than 30 days after the date on which the Department of Energy determines that the loss has taken place.

(d) PROCEDURES.—The Secretary of Energy and the Committees on Armed Services of the Senate and House of Representatives shall each establish such procedures as may be necessary to protect from unauthorized disclosure classified information, information relating to intelligence sources and methods, and sensitive law enforcement information that is submitted to those committees pursuant to this section and that are otherwise necessary to carry out the provisions of this section.

(e) STATUTORY CONSTRUCTION.—(1) Nothing in this section shall be construed as authority to withhold any information from the Committees on Armed Services of the Senate and House of Representatives on the grounds that providing the information to those committees would constitute the unauthorized disclosure of classified information, information relating to intelligence sources and methods, or sensitive law enforcement information.

(2) Nothing in this section shall be construed to modify or supersede any other requirement to report information on intelligence activities to the Congress, including the requirement under section 501 of the National Security Act of 1947 (50 U.S.C. 413) for the President to ensure that the congressional intelligence committees

are kept fully informed of the intelligence activities of the United States and for those committees to notify promptly other congressional committees of any matter relating to intelligence activities requiring the attention of those committees.

SEC. 4506. SUBMITTAL OF ANNUAL REPORT ON STATUS OF SECURITY FUNCTIONS AT NUCLEAR WEAPONS FACILITIES.

(a) IN GENERAL.—Not later than September 1 each year, the Secretary of Energy shall submit to the congressional defense committees the report entitled "Annual Report to the President on the Status of Safeguards and Security of Domestic Nuclear Weapons Facilities", or any successor report to such report.

(b) REQUIREMENT RELATING TO REPORTS THROUGH FISCAL YEAR 2000.—The Secretary shall include with each report submitted under subsection (a) in fiscal years 1998 through 2000 any comments on such report by the members of the Department of Energy Security Management Board established under section 3161 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2048; 42 U.S.C. 7251 note) that such members consider appropriate.

SEC. 4507. REPORT ON COUNTERINTELLIGENCE AND SECURITY PRACTICES AT NATIONAL LABORATORIES.

(a) IN GENERAL.—Not later than March 1 of each year, the Secretary of Energy shall submit to the Congress a report for the preceding year on counterintelligence and security practices at the facilities of the national laboratories (whether or not classified activities are carried out at the facility).

(b) CONTENT OF REPORT.—The report shall include, with respect to each national laboratory, the following:

(1) The number of employees, including full-time counterintelligence and security professionals and contractor employees.

(2) A description of the counterintelligence and security training courses conducted and, for each such course, any requirement that employees successfully complete that course.

(3) A description of each contract awarded that provides an incentive for the effective performance of counterintelligence or security activities.

(4) A description of the requirement that an employee report the travel to sensitive countries of that employee (whether or not the travel was for official business).

(5) The number of trips by individuals who traveled to sensitive countries, with identification of the sensitive countries visited.

(c) NATIONAL LABORATORY DEFINED.—In this section, the term "national laboratory" has the meaning given that term in section 4502(g)(3).

SEC. 4508. REPORT ON SECURITY VULNERABILITIES OF NATIONAL LABORATORY COMPUTERS.

(a) REPORT REQUIRED.—Not later than March 1 of each year, the National Counterintelligence Policy Board shall prepare a report on the security vulnerabilities of the computers of the national laboratories.

(b) PREPARATION OF REPORT.—In preparing the report, the National Counterintelligence Policy Board shall establish a so-called

"red team" of individuals to perform an operational evaluation of the security vulnerabilities of the computers of one or more national laboratories, including by direct experimentation. Such individuals shall be selected by the National Counterintelligence Policy Board from among employees of the Department of Defense, the National Security Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, and of other agencies, and may be detailed to the National Counterintelligence Policy Board from such agencies without reimbursement and without interruption or loss of civil service status or privilege.

(c) SUBMISSION OF REPORT TO SECRETARY OF ENERGY AND TO FBI DIRECTOR.—Not later than March 1 of each year, the report shall be submitted in classified and unclassified form to the Secretary of Energy and the Director of the Federal Bureau of Investigation.

(d) FORWARDING TO CONGRESSIONAL COMMITTEES.—Not later than 30 days after the report is submitted, the Secretary and the Director shall each separately forward that report, with the recommendations in classified and unclassified form of the Secretary or the Director, as applicable, in response to the findings of that report, to the following:

(1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

(e) FIRST REPORT.—The first report under this section shall be the report for the year 2000. That report shall cover each of the national laboratories.

(f) NATIONAL LABORATORY DEFINED.—In this section, the term "national laboratory" has the meaning given that term in section 4502(g)(3).

Subtitle B—Classified Information

SEC. 4521. REVIEW OF CERTAIN DOCUMENTS BEFORE DECLASSIFICATION AND RELEASE.

(a) IN GENERAL.—The Secretary of Energy shall ensure that, before a document of the Department of Energy that contains national security information is released or declassified, such document is reviewed to determine whether it contains restricted data.

(b) LIMITATION ON DECLASSIFICATION.—The Secretary may not implement the automatic declassification provisions of Executive Order 12958 if the Secretary determines that such implementation could result in the automatic declassification and release of documents containing restricted data.

(c) RESTRICTED DATA DEFINED.—In this section, the term "restricted data" has the meaning provided by section 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

SEC. 4522. PROTECTION AGAINST INADVERTENT RELEASE OF RESTRICTED DATA AND FORMERLY RESTRICTED DATA.

(a) PLAN FOR PROTECTION AGAINST RELEASE.—The Secretary of Energy and the Archivist of the United States shall, after consultation with the members of the National Security Council and in con-

sultation with the Secretary of Defense and the heads of other appropriate Federal agencies, develop a plan to prevent the inadvertent release of records containing Restricted Data or Formerly Restricted Data during the automatic declassification of records under Executive Order No. 12958 (50 U.S.C. 435 note).

(b) PLAN ELEMENTS.—The plan under subsection (a) shall include the following:

(1) The actions to be taken in order to ensure that records subject to Executive Order No. 12958 are reviewed on a page-by-page basis for Restricted Data and Formerly Restricted Data unless they have been determined to be highly unlikely to contain Restricted Data or Formerly Restricted Data.

(2) The criteria and process by which documents are determined to be highly unlikely to contain Restricted Data or Formerly Restricted Data.

(3) The actions to be taken in order to ensure proper training, supervision, and evaluation of personnel engaged in declassification under that Executive order so that such personnel recognize Restricted Data and Formerly Restricted Data.

(4) The extent to which automated declassification technologies will be used under that Executive order to protect Restricted Data and Formerly Restricted Data from inadvertent release.

(5) Procedures for periodic review and evaluation by the Secretary of Energy, in consultation with the Director of the Information Security Oversight Office of the National Archives and Records Administration, of compliance by Federal agencies with the plan.

(6) Procedures for resolving disagreements among Federal agencies regarding declassification procedures and decisions under the plan.

(7) The funding, personnel, and other resources required to carry out the plan.

(8) A timetable for implementation of the plan.

(c) LIMITATION ON DECLASSIFICATION OF CERTAIN RECORDS.—(1) Effective on October 17, 1998, and except as provided in paragraph (3), a record referred to in subsection (a) may not be declassified unless the agency having custody of the record reviews the record on a page-by-page basis to ensure that the record does not contain Restricted Data or Formerly Restricted Data.

(2) Any record determined as a result of a review under paragraph (1) to contain Restricted Data or Formerly Restricted Data may not be declassified until the Secretary of Energy, in conjunction with the head of the agency having custody of the record, determines that the document is suitable for declassification.

(3) After the date occurring 60 days after the submission of the plan required by subsection (a) to the committees referred to in paragraphs (1) and (2) of subsection (d), the requirement under paragraph (1) to review a record on a page-by-page basis shall not apply in the case of a record determined, under the actions specified in the plan pursuant to subsection (b)(1), to be a record that is highly unlikely to contain Restricted Data or Formerly Restricted Data.

(d) SUBMISSION OF PLAN.—The Secretary of Energy shall submit the plan required under subsection (a) to the following:

(1) The Committee on Armed Services of the Senate.

(2) The Committee on Armed Services of the House of Representatives.

(3) The Assistant to the President for National Security Affairs.

(e) SUBMISSION OF REVIEWS.—The Secretary of Energy shall, on a periodic basis, submit a summary of the results of the periodic reviews and evaluations specified in the plan pursuant to subsection (b)(4) to the committees and Assistant to the President specified in subsection (d).

(f) REPORT AND NOTIFICATION REGARDING INADVERTENT RELEASES.—(1) The Secretary of Energy shall submit to the committees and Assistant to the President specified in subsection (d) a report on inadvertent releases of Restricted Data or Formerly Restricted Data under Executive Order No. 12958 that occurred before October 17, 1998.

(2) Commencing with inadvertent releases discovered on or after October 30, 2000, the Secretary of Energy shall, on a quarterly basis, submit a report to the committees and Assistant to the President specified in subsection (d). The report shall state whether any inadvertent releases described in paragraph (1) occurred during the immediately preceding quarter and, if so, shall identify each such release.

(g) DEFINITION.—In this section, the term "Restricted Data" has the meaning given that term in section 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

SEC. 4523. SUPPLEMENT TO PLAN FOR DECLASSIFICATION OF RESTRICTED DATA AND FORMERLY RESTRICTED DATA.

(a) SUPPLEMENT TO PLAN.—The Secretary of Energy and the Archivist of the United States shall, after consultation with the members of the National Security Council and in consultation with the Secretary of Defense and the heads of other appropriate Federal agencies, develop a supplement to the plan required under subsection (a) of section 3161 of the Strom Thurmond National Defense Authorization Act for Fisclay Year 1999 (Public Law 105–261; 112 Stat. 2260; 50 U.S.C. 435 note).

(b) CONTENTS OF SUPPLEMENT.—The supplement shall provide for the application of that plan (including in particular the element of the plan required by subsection (b)(1) of section 4522) to all records subject to Executive Order No. 12958 that were determined before October 17, 1998, to be suitable for declassification.

(c) LIMITATION ON DECLASSIFICATION OF RECORDS.—All records referred to in subsection (b) shall be treated, for purposes of subsection (c) of section 4522, in the same manner as records referred to in subsection (a) of such section.

(d) SUBMISSION OF SUPPLEMENT.—The Secretary of Energy shall submit the supplement required under subsection (a) to the recipients of the plan referred to in subsection (d) of section 4522.

SEC. 4524. PROTECTION OF CLASSIFIED INFORMATION DURING LABORATORY-TO-LABORATORY EXCHANGES.

(a) PROVISION OF TRAINING.—The Secretary of Energy shall ensure that all Department of Energy employees and Department of Energy contractor employees participating in laboratory-to-laboratory cooperative exchange activities are fully trained in matters relating to the protection of classified information and to potential espionage and counterintelligence threats.

(b) COUNTERING OF ESPIONAGE AND INTELLIGENCE-GATHERING ABROAD.—(1) The Secretary shall establish a pool of Department employees and Department contractor employees who are specially trained to counter threats of espionage and intelligence-gathering by foreign nationals against Department employees and Department contractor employees who travel abroad for laboratory-to-laboratory exchange activities or other cooperative exchange activities on behalf of the Department.

(2) The Director of Counterintelligence of the Department of Energy may assign at least one employee from the pool established under paragraph (1) to accompany a group of Department employees or Department contractor employees who travel to any nation designated to be a sensitive country for laboratory-to-laboratory exchange activities or other cooperative exchange activities on behalf of the Department.

SEC. 4525. IDENTIFICATION IN BUDGET MATERIALS OF AMOUNTS FOR DECLASSIFICATION ACTIVITIES AND LIMITATION ON EXPENDITURES FOR SUCH ACTIVITIES.

(a) AMOUNTS FOR DECLASSIFICATION OF RECORDS.—The Secretary of Energy shall include in the budget justification materials submitted to Congress in support of the Department of Energy budget for any fiscal year (as submitted with the budget of the President under section 1105(a) of title 31, United States Code) specific identification, as a budgetary line item, of the amounts required to carry out programmed activities during that fiscal year to declassify records pursuant to Executive Order No. 12958 (50 U.S.C. 435 note), or any successor Executive order, or to comply with any statutory requirement to declassify Government records.

(b) CERTIFICATION REQUIRED WITH RESPECT TO AUTOMATIC DECLASSIFICATION OF RECORDS.—No records of the Department of Energy that have not as of October 5, 1999, been reviewed for declassification shall be subject to automatic declassification unless the Secretary of Energy certifies to Congress that such declassification would not harm the national security.

(c) REPORT ON AUTOMATIC DECLASSIFICATION OF DEPARTMENT OF ENERGY RECORDS.—Not later than February 1, 2001, the Secretary of Energy shall submit to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate a report on the efforts of the Department of Energy relating to the declassification of classified records under the control of the Department of Energy. Such report shall include the following:

(1) An assessment of whether the Department will be able to review all relevant records for declassification before any date established for automatic declassification.

(2) An estimate of the number of records, if any, that the Department will be unable to review for declassification before any such date and the effect on national security of the automatic declassification of those records.

(3) An estimate of the length of time by which any such date would need to be extended to avoid the automatic declassification of records that have not yet been reviewed as of such date.

Subtitle C—Emergency Response

SEC. 4541. RESPONSIBILITY FOR DEFENSE PROGRAMS EMERGENCY RESPONSE PROGRAM.

The Office of Military Applications under the Assistant Secretary of Energy for Defense Programs shall retain responsibility for the Defense Programs Emergency Response Program within the Department of Energy.

TITLE XLVI—PERSONNEL MATTERS

Subtitle A—Personnel Management

SEC. 4601. AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.

(a) AUTHORITY.—(1) Notwithstanding any provision of title 5, United States Code, governing appointments in the competitive service and General Schedule classification and pay rates, the Secretary of Energy may—

(A) establish and set the rates of pay for not more than 200 positions in the Department of Energy for scientific, engineering, and technical personnel whose duties will relate to safety at defense nuclear facilities of the Department; and

(B) appoint persons to such positions.

(2) The rate of pay for a position established under paragraph (1) may not exceed the rate of pay payable for level III of the Executive Schedule under section 5314 of title 5, United States Code.

(3) To the maximum extent practicable, the Secretary shall appoint persons under paragraph (1)(B) to the positions established under paragraph (1)(A) in accordance with the merit system principles set forth in section 2301 of such title.

(4) The Secretary may not appoint more than 100 persons during fiscal year 1995 under the authority provided in this subsection.

(b) OPM REVIEW.—(1) The Secretary shall enter into an agreement with the Director of the Office of Personnel Management under which agreement the Director shall periodically evaluate the use of the authority set forth in subsection (a)(1). The Secretary shall reimburse the Director for evaluations conducted by the Director pursuant to the agreement. Any such reimbursement shall be credited to the revolving fund referred to in section 1304(e) of title 5, United States Code.

(2) If the Director determines as a result of such evaluation that the Secretary of Energy is not appointing persons to positions under such authority in a manner consistent with the merit system principles set forth in section 2301 of title 5, United States Code, or is setting rates of pay at levels that are not appropriate for the qualifications and experience of the persons appointed and the duties of the positions involved, the Director shall notify the Secretary and Congress of that determination.

(3) Upon receipt of a notification under paragraph (2), the Secretary shall—

(A) take appropriate actions to appoint persons to positions under such authority in a manner consistent with such principles or to set rates of pay at levels that are appropriate for the

qualifications and experience of the persons appointed and the duties of the positions involved; or

(B) cease appointment of persons under such authority.

(c) TERMINATION.—(1) The authority provided under subsection (a)(1) shall terminate on September 30, 2002.

(2) An employee may not be separated from employment with the Department of Energy or receive a reduction in pay by reason of the termination of authority under paragraph (1).

SEC. 4602. WHISTLEBLOWER PROTECTION PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Energy shall establish a program to ensure that covered individuals may not be discharged, demoted, or otherwise discriminated against as a reprisal for making protected disclosures.

(b) COVERED INDIVIDUALS.—For purposes of this section, a covered individual is an individual who is an employee of the Department of Energy, or of a contractor of the Department, who is engaged in the defense activities of the Department.

(c) PROTECTED DISCLOSURES.—For purposes of this section, a protected disclosure is a disclosure—

(1) made by a covered individual who takes appropriate steps to protect the security of the information in accordance with guidance provided under this section;

(2) made to a person or entity specified in subsection (d); and

(3) of classified or other information that the covered individual reasonably believes to provide direct and specific evidence of any of the following:

(A) A violation of law or Federal regulation.

(B) Gross mismanagement, a gross waste of funds, or abuse of authority.

(C) A false statement to Congress on an issue of material fact.

(d) PERSONS AND ENTITIES TO WHICH DISCLOSURES MAY BE MADE.—A person or entity specified in this subsection is any of the following:

(1) A member of a committee of Congress having primary responsibility for oversight of the department, agency, or element of the Government to which the disclosed information relates.

(2) An employee of Congress who is a staff member of such a committee and has an appropriate security clearance for access to information of the type disclosed.

(3) The Inspector General of the Department of Energy.

(4) The Federal Bureau of Investigation.

(5) Any other element of the Government designated by the Secretary as authorized to receive information of the type disclosed.

(e) OFFICIAL CAPACITY OF PERSONS TO WHOM INFORMATION IS DISCLOSED.—A member of, or an employee of Congress who is a staff member of, a committee of Congress specified in subsection (d) who receives a protected disclosure under this section does so in that member or employee's official capacity as such a member or employee.

(f) ASSISTANCE AND GUIDANCE.—The Secretary, acting through the Inspector General of the Department of Energy, shall provide as-

sistance and guidance to each covered individual who seeks to make a protected disclosure under this section. Such assistance and guidance shall include the following:

(1) Identifying the persons or entities under subsection (d) to which that disclosure may be made.

(2) Advising that individual regarding the steps to be taken to protect the security of the information to be disclosed.

(3) Taking appropriate actions to protect the identity of that individual throughout that disclosure.

(4) Taking appropriate actions to coordinate that disclosure with any other Federal agency or agencies that originated the information.

(g) REGULATIONS.—The Secretary shall prescribe regulations to ensure the security of any information disclosed under this section.

(h) NOTIFICATION TO COVERED INDIVIDUALS.—The Secretary shall notify each covered individual of the following:

(1) The rights of that individual under this section.

(2) The assistance and guidance provided under this section.

(3) That the individual has a responsibility to obtain that assistance and guidance before seeking to make a protected disclosure.

(i) COMPLAINT BY COVERED INDIVIDUALS.—If a covered individual believes that that individual has been discharged, demoted, or otherwise discriminated against as a reprisal for making a protected disclosure under this section, the individual may submit a complaint relating to such matter to the Director of the Office of Hearings and Appeals of the Department of Energy.

(j) INVESTIGATION BY OFFICE OF HEARINGS AND APPEALS.—(1) For each complaint submitted under subsection (i), the Director of the Office of Hearings and Appeals shall—

(A) determine whether or not the complaint is frivolous; and

(B) if the Director determines the complaint is not frivolous, conduct an investigation of the complaint.

(2) The Director shall submit a report on each investigation undertaken under paragraph (1)(B) to—

(A) the individual who submitted the complaint on which the investigation is based;

(B) the contractor concerned, if any; and

(C) the Secretary of Energy.

(k) REMEDIAL ACTION.—(1) Whenever the Secretary determines that a covered individual has been discharged, demoted, or otherwise discriminated against as a reprisal for making a protected disclosure under this section, the Secretary shall—

(A) in the case of a Department employee, take appropriate actions to abate the action; or

(B) in the case of a contractor employee, order the contractor concerned to take appropriate actions to abate the action.

(2)(A) If a contractor fails to comply with an order issued under paragraph (1)(B), the Secretary may file an action for enforcement of the order in the appropriate United States district court.

(B) In any action brought under subparagraph (A), the court may grant appropriate relief, including injunctive relief and compensatory and exemplary damages.

(l) RELATIONSHIP TO OTHER LAWS.—The protections provided by this section are independent of, and not subject to any limitations that may be provided in, the Whistleblower Protection Act of 1989 (Public Law 101–512) or any other law that may provide protection for disclosures of information by employees of the Department of Energy or of a contractor of the Department.

(m) ANNUAL REPORT.—(1) Not later than 30 days after the commencement of each fiscal year, the Director 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 investigations undertaken under subsection (j)(1)(B) during the preceding fiscal year, including a summary of the results of each such investigation.

(2) A report under paragraph (1) may not identify or otherwise provide any information about an individual submitting a complaint under this section without the consent of the individual.

(n) IMPLEMENTATION REPORT.—Not later than December 5, 1999, 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 describing the implementation of the program required by this section.

SEC. 4603. EMPLOYEE INCENTIVES FOR EMPLOYEES AT CLOSURE PROJECT FACILITIES.

(a) AUTHORITY TO PROVIDE INCENTIVES.—Notwithstanding any other provision of law, the Secretary of Energy may provide to any eligible employee of the Department of Energy one or more of the incentives described in subsection (d).

(b) ELIGIBLE EMPLOYEES.—An individual is an eligible employee of the Department of Energy for purposes of this section if the individual—

(1) has worked continuously at a closure facility for at least two years;

(2) is an employee (as that term is defined in section 2105(a) of title 5, United States Code);

(3) has a fully satisfactory or equivalent performance rating during the most recent performance period and is not subject to an adverse notice regarding conduct; and

(4) meets any other requirement or condition under subsection (d) for the incentive which is provided the employee under this section.

(c) CLOSURE FACILITY DEFINED.—For purposes of this section, the term "closure facility" means a Department of Energy facility at which the Secretary is carrying out a closure project selected under section 4421.

(d) INCENTIVES.—The incentives that the Secretary may provide under this section are the following:

(1) The right to accumulate annual leave provided by section 6303 of title 5, United States Code, for use in succeeding years until it totals not more than 90 days, or not more than 720 hours based on a standard work week, at the beginning of the first full biweekly pay period, or corresponding period for

an employee who is not paid on the basis of biweekly pay periods, occurring in a year, except that—

(A) any annual leave that remains unused when an employee transfers to a position in a department or agency of the Federal Government shall be liquidated upon the transfer by payment to the employee of a lump sum for leave in excess of 30 days, or in excess of 240 hours based on a standard work week; and

(B) upon separation from service, annual leave accumulated under this paragraph shall be treated as any other accumulated annual leave is treated.

(2) The right to be paid a retention allowance in a lump sum in compliance with paragraphs (1) and (2) of section 5754(b) of title 5, United States Code, if the employee meets the requirements of section 5754(a) of that title, except that the retention allowance may exceed 25 percent, but may not be more than 30 percent, of the employee's rate of basic pay.

(e) AGREEMENT.—An eligible employee of the Department of Energy provided an incentive under this section shall enter into an agreement with the Secretary to remain employed at the closure facility at which the employee is employed as of the date of the agreement until a specific date or for a specific period of time.

(f) VIOLATION OF AGREEMENT.—(1) Except as provided under paragraph (3), an eligible employee of the Department of Energy who violates an agreement under subsection (e), or is dismissed for cause, shall forfeit eligibility for any incentives under this section as of the date of the violation or dismissal, as the case may be.

(2) Except as provided under paragraph (3), an eligible employee of the Department of Energy who is paid a retention allowance under subsection (d)(2) and who violates an agreement under subsection (e), or is dismissed for cause, before the end of the period or date of employment agreed upon under such agreement shall refund to the United States an amount that bears the same ratio to the aggregate amount so paid to or received by the employee as the unserved part of such employment bears to the total period of employment agreed upon under such agreement.

(3) The Secretary may waive the applicability of paragraph (1) or (2) to an employee otherwise covered by such paragraph if the Secretary determines that there is good and sufficient reason for the waiver.

(g) REPORT.—The Secretary shall include in each report on a closure project under section 4421(h) a report on the incentives, if any, provided under this section with respect to the project for the period covered by such report.

(h) AUTHORITY WITH RESPECT TO HEALTH COVERAGE.—Section 8905a(d)(5)(A) of title 5, United States Code (as added by section 1106 of the Veterans Millennium Health Care and Benefits Act (Public Law 106–117; 113 Stat. 1598)), is amended by inserting after "readjustment" the following: ", or a voluntary or involuntary separation from a Department of Energy position at a Department of Energy facility at which the Secretary is carrying out a closure project selected under section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (42 U.S.C. 7274n)".

(i) AUTHORITY WITH RESPECT TO VOLUNTARY SEPARATIONS.—(1) The Secretary may—

(A) separate from service any employee at a Department of Energy facility at which the Secretary is carrying out a closure project selected under section 4421 who volunteers to be separated under this subparagraph even though the employee is not otherwise subject to separation due to a reduction in force; and

(B) for each employee voluntarily separated under subparagraph (A), retain an employee in a similar position who would otherwise be separated due to a reduction in force.

(2) The separation of an employee under paragraph (1)(A) shall be treated as an involuntary separation due to a reduction in force.

(3) An employee with critical knowledge and skills (as defined by the Secretary) may not participate in a voluntary separation under paragraph (1)(A) if the Secretary determines that such participation would impair the performance of the mission of the Department of Energy.

(j) TERMINATION.—The authority to provide incentives under this section terminates on March 31, 2007.

SEC. 4604. DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITIES WORKFORCE RESTRUCTURING PLAN.

(a) IN GENERAL.—Upon determination that a change in the workforce at a defense nuclear facility is necessary, the Secretary of Energy shall develop a plan for restructuring the workforce for the defense nuclear facility that takes into account—

(1) the reconfiguration of the defense nuclear facility; and

(2) the plan for the nuclear weapons stockpile that is the most recently prepared plan at the time of the development of the plan referred to in this subsection.

(b) CONSULTATION.—(1) In developing a plan referred to in subsection (a) and any updates of the plan under subsection (e), the Secretary shall consult with the Secretary of Labor, appropriate representatives of local and national collective-bargaining units of individuals employed at Department of Energy defense nuclear facilities, appropriate representatives of departments and agencies of State and local governments, appropriate representatives of State and local institutions of higher education, and appropriate representatives of community groups in communities affected by the restructuring plan.

(2) The Secretary shall determine appropriate representatives of the units, governments, institutions, and groups referred to in paragraph (1).

(c) OBJECTIVES.—In preparing the plan required under subsection (a), the Secretary shall be guided by the following objectives:

(1) Changes in the workforce at a Department of Energy defense nuclear facility—

(A) should be accomplished so as to minimize social and economic impacts;

(B) should be made only after the provision of notice of such changes not later than 120 days before the commencement of such changes to such employees and the communities in which such facilities are located; and

(C) should be accomplished, when possible, through the use of retraining, early retirement, attrition, and other options that minimize layoffs.

(2) Employees whose employment in positions at such facilities is terminated shall, to the extent practicable, receive pref-

erence in any hiring of the Department of Energy (consistent with applicable employment seniority plans or practices of the Department of Energy and with section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1682)).

(3) Employees shall, to the extent practicable, be retrained for work in environmental restoration and waste management activities at such facilities or other facilities of the Department of Energy.

(4) The Department of Energy should provide relocation assistance to employees who are transferred to other Department of Energy facilities as a result of the plan.

(5) The Department of Energy should assist terminated employees in obtaining appropriate retraining, education, and reemployment assistance (including employment placement assistance).

(6) The Department of Energy should provide local impact assistance to communities that are affected by the restructuring plan and coordinate the provision of such assistance with—

(A) programs carried out by the Secretary of Labor under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998;

(B) programs carried out pursuant to the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (division D of Public Law 101–510; 10 U.S.C. 2391 note); and

(C) programs carried out by the Department of Commerce pursuant to title II of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141 et seq.).

(d) IMPLEMENTATION.—The Secretary shall, subject to the availability of appropriations for such purpose, work on an ongoing basis with representatives of the Department of Labor, workforce bargaining units, and States and local communities in carrying out a plan required under subsection (a).

(e) PLAN UPDATES.—Not later than one year after issuing a plan referred to in subsection (a) and on an annual basis thereafter, the Secretary shall issue an update of the plan. Each updated plan under this subsection shall—

(1) be guided by the objectives referred to in subsection (c), taking into account any changes in the function or mission of the Department of Energy defense nuclear facilities and any other changes in circumstances that the Secretary determines to be relevant;

(2) contain an evaluation by the Secretary of the implementation of the plan during the year preceding the report; and

(3) contain such other information and provide for such other matters as the Secretary determines to be relevant.

(f) SUBMITTAL TO CONGRESS.—(1) The Secretary shall submit to Congress a plan referred to in subsection (a) with respect to a defense nuclear facility within 90 days after the date on which a notice of changes described in subsection (c)(1)(B) is provided to employees of the facility, or 90 days after the date of the enactment of this Act, whichever is later.

(2) The Secretary shall submit to Congress any updates of the plan under subsection (e) immediately upon completion of any such update.

(g) DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITY DEFINED.—In this section, the term "Department of Energy defense nuclear facility" means—

(1) a production facility or utilization facility (as those terms are defined in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014)) that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the tritium loading facility at Savannah River, South Carolina, the 236 H facility at Savannah River, South Carolina; and the Mound Laboratory, Ohio), but the term does not include any facility that does not conduct atomic energy defense activities and does not include any facility or activity covered by Executive Order Number 12344, dated February 1, 1982, pertaining to the naval nuclear propulsion program;

(2) a nuclear waste storage or disposal facility that is under the control or jurisdiction of the Secretary;

(3) a testing and assembly facility that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the Nevada Test Site, Nevada; the Pinnellas Plant, Florida; and the Pantex facility, Texas);

(4) an atomic weapons research facility that is under the control or jurisdiction of the Secretary (including Lawrence Livermore, Los Alamos, and Sandia National Laboratories); or

(5) any facility described in paragraphs (1) through (4) that—

(A) is no longer in operation;

(B) was under the control or jurisdiction of the Department of Defense, the Atomic Energy Commission, or the Energy Research and Development Administration; and

(C) was operated for national security purposes.

SEC. 4605. AUTHORITY TO PROVIDE CERTIFICATE OF COMMENDATION TO DEPARTMENT OF ENERGY AND CONTRACTOR EMPLOYEES FOR EXEMPLARY SERVICE IN STOCKPILE STEWARDSHIP AND SECURITY.

(a) AUTHORITY TO PRESENT CERTIFICATE OF COMMENDATION.—The Secretary of Energy may present a certificate of commendation to any current or former employee of the Department of Energy, and any current or former employee of a Department contractor, whose service to the Department in matters relating to stockpile stewardship and security assisted the Department in furthering the national security interests of the United States.

(b) CERTIFICATE.—The certificate of commendation presented to a current or former employee under subsection (a) shall include an appropriate citation of the service of the current or former employee described in that subsection, including a citation for dedication, intellect, and sacrifice in furthering the national security interests of the United States by maintaining a strong, safe, and viable United States nuclear deterrent during the Cold War or thereafter.

(c) DEPARTMENT OF ENERGY DEFINED.—For purposes of this section, the term "Department of Energy" includes any predecessor agency of the Department of Energy.

Subtitle B—Education and Training

SEC. 4621. EXECUTIVE MANAGEMENT TRAINING IN THE DEPARTMENT OF ENERGY.

(a) ESTABLISHMENT OF TRAINING PROGRAM.—The Secretary of Energy shall establish and implement a management training program for personnel of the Department of Energy involved in the management of atomic energy defense activities.

(b) TRAINING PROVISIONS.—The training program shall at a minimum include instruction in the following areas:

(1) Department of Energy policy and procedures for management and operation of atomic energy defense facilities.

(2) Methods of evaluating technical performance.

(3) Federal and State environmental laws and requirements for compliance with such environmental laws, including timely compliance with reporting requirements in such laws.

(4) The establishment of program milestones and methods to evaluate success in meeting such milestones.

(5) Methods for conducting long-range technical and budget planning.

(6) Procedures for reviewing and applying innovative technology to environmental restoration and defense waste management.

SEC. 4622. STOCKPILE STEWARDSHIP RECRUITMENT AND TRAINING PROGRAM.

(a) CONDUCT OF PROGRAM.—(1) As part of the stockpile stewardship program established pursuant to section 4201, the Secretary of Energy shall conduct a stockpile stewardship recruitment and training program at the Sandia National Laboratories, the Lawrence Livermore National Laboratory, and the Los Alamos National Laboratory.

(2) The recruitment and training program shall be conducted in coordination with the Chairman of the Joint Nuclear Weapons Council established by section 179 of title 10, United States Code, and the directors of the laboratories referred to in paragraph (1).

(b) SUPPORT OF DUAL-USE PROGRAMS.—(1) As part of the recruitment and training program, the directors of the laboratories referred to in subsection (a)(1) may employ undergraduate students, graduate students, and postdoctoral fellows to carry out research sponsored by such laboratories for military or nonmilitary dual-use programs related to nuclear weapons stockpile stewardship.

(2) Of the amounts authorized to be appropriated to the Secretary of Energy in section 3101(a)(1) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337) for weapons activities for core research and development and allocated by the Secretary for education initiatives, $5,000,000 shall be available for employing students and fellows to carry out research referred to in paragraph (1). The amount available under this paragraph shall be allocated equally among the laboratories referred to in subsection (a)(1).

(c) ESTABLISHMENT OF RETIREE CORPS.—As part of the training and recruitment program, the Secretary, in coordination with the directors of the laboratories referred to in subsection (a)(1), shall establish for the laboratories a retiree corps of retired scientists who

have expertise in research and development of nuclear weapons. The directors may employ the retired scientists on a part-time basis to provide appropriate assistance on nuclear weapons issues, to contribute relevant information to be archived, and to help to provide training to other scientists.

(d) REPORT.—(1) Not later than February 1, 1995, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the demographic trends of the personnel of the laboratories referred to in subsection (a)(1) and on actions taken by the Department of Energy to remedy identified deficiencies in various skill areas.

(2) The report shall be prepared in coordination with the Chairman of the Joint Nuclear Weapons Council and the directors of the laboratories. Information included in the report shall be aggregated and compiled into statistical categories.

(3) The report shall include the following:

(A) An inventory of the weapons-related tasks that the laboratories need to perform to support their nuclear weapons responsibilities.

(B) An inventory of the skills necessary to complete the weapons-related tasks referred to in subparagraph (A).

(C) For each laboratory, the number of scientists needed in each skill area to perform such tasks.

(D) The number of the scientists providing services in each skill area at each laboratory, stated by age.

(E) An assessment of which skill areas are understaffed.

(F) The number of scientists entering the weapons program at each laboratory, and their skill areas.

(G) The number of full-time equivalent personnel with weapon skills, their distribution by skill and, for each such skill, their distribution by age.

(H) The number of scientists retiring from the weapons program in the five-year period ending on the date of the report and the skill areas in which they worked in the year preceding their retirement.

(I) Based on the information contained in subparagraphs (A) through (H), a projection of the skills areas that will become understaffed in the five years following the date of the report.

(J) A statement of alternative actions that may be taken to retain and recruit scientists for the weapons programs at the laboratories in order to preserve a sufficient skill base and to fulfill stockpile stewardship responsibilities.

(K) Any plans of the Secretary to take any of the alternative actions referred to in subparagraph (J).

SEC. 4623. FELLOWSHIP PROGRAM FOR DEVELOPMENT OF SKILLS CRITICAL TO THE DEPARTMENT OF ENERGY NUCLEAR WEAPONS COMPLEX.

(a) IN GENERAL.—The Secretary of Energy shall conduct a fellowship program for the development of skills critical to the ongoing mission of the Department of Energy nuclear weapons complex. Under the fellowship program, and research assistance to eligible individuals to facilitate the development by such individuals of skills critical to maintaining the ongoing mission of the Department of Energy nuclear weapons complex.

(b) ELIGIBLE INDIVIDUALS.—Individuals eligible for participation in the fellowship program are United States citizens who are the following:

(1) Students pursuing graduate degrees in fields of science or engineering that are related to nuclear weapons engineering or to the science and technology base of the Department of Energy.

(2) Individuals engaged in postdoctoral studies in such fields.

(c) COVERED FACILITIES.—The Secretary shall carry out the fellowship program at or in connection with the following facilities:

(1) The Kansas City Plant, Kansas City, Missouri.

(2) The Pantex Plant, Amarillo, Texas.

(3) The Y–12 Plant, Oak Ridge, Tennessee.

(4) The Savannah River Site, Aiken, South Carolina.

(5) The Lawrence Livermore National Laboratory, Livermore, California.

(6) The Los Alamos National Laboratory, Los Alamos, New Mexico.

(7) The Sandia National Laboratories, Albuquerque, New Mexico, and Livermore, California.

(d) ADMINISTRATION.—The Secretary shall carry out the fellowship program at a facility referred to in subsection (c) through the stockpile manager of the facility.

(e) ALLOCATION OF FUNDS.—The Secretary shall, in consultation with the Assistant Secretary of Energy for Defense Programs, allocate funds available for the fellowship program under subsection (f) among the facilities referred to in subsection (c). The Secretary shall make the allocation after evaluating an assessment by the weapons program director of each such facility of the personnel and critical skills necessary at the facility for carrying out the ongoing mission of the facility.

(f) AGREEMENT.—(1) The Secretary may allow an individual to participate in the program only if the individual signs an agreement described in paragraph (2).

(2) An agreement referred to in paragraph (1) shall be in writing, shall be signed by the participant, and shall include the participant's agreement to serve, after completion of the course of study for which the assistance was provided, as a full-time employee in a position in the Department of Energy for a period of time to be established by the Secretary of Energy of not less than one year, if such a position is offered to the participant.

Subtitle C—Worker Safety

SEC. 4641. WORKER PROTECTION AT NUCLEAR WEAPONS FACILITIES.

(a) TRAINING GRANT PROGRAM.—(1) The Secretary of Energy is authorized to award grants to organizations referred to in paragraph (2) in order for such organizations—

(A) to provide training and education to persons who are or may be engaged in hazardous substance response or emergency response at Department of Energy nuclear weapons facilities; and

(B) to develop curricula for such training and education.

(2)(A) Subject to subparagraph (B), the Secretary is authorized to award grants under paragraph (1) to non-profit organizations that have demonstrated (as determined by the Secretary) capabilities in—

(i) implementing and conducting effective training and education programs relating to the general health and safety of workers; and

(ii) identifying, and involving in training, groups of workers whose duties include hazardous substance response or emergency response.

(B) The Secretary shall give preference in the award of grants under this section to employee organizations and joint labor-management training programs that are grant recipients under section 126(g) of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. 9660a).

(3) An organization awarded a grant under paragraph (1) shall carry out training, education, or curricula development pursuant to Department of Energy orders relating to employee safety training, including orders numbered 5480.4 and 5480.11.

(b) ENFORCEMENT OF EMPLOYEE SAFETY STANDARDS.—(1) Subject to paragraph (2), the Secretary shall assess civil penalties against any contractor of the Department of Energy who (as determined by the Secretary)—

(A) employs individuals who are engaged in hazardous substance response or emergency response at Department of Energy nuclear weapons facilities; and

(B) fails (i) to provide for the training of such individuals to carry out such hazardous substance response or emergency response, or (ii) to certify to the Department of Energy that such employees are adequately trained for such response pursuant to orders issued by the Department of Energy relating to employee safety training (including orders numbered 5480.4 and 5480.11).

(2) Civil penalties assessed under this subsection may not exceed $5,000 for each day in which a failure referred to in paragraph (1)(B) occurs.

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

(d) DEFINITIONS.—For the purposes of this section, the term "hazardous substance" includes radioactive waste and mixed radioactive and hazardous waste.

(e) FUNDING.—Of the funds authorized to be appropriated pursuant to section 3101(9)(A) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190), $10,000,000 may be used for the purpose of carrying out this section.

SEC. 4642. SAFETY OVERSIGHT AND ENFORCEMENT AT DEFENSE NUCLEAR FACILITIES.

(a) SAFETY AT DEFENSE NUCLEAR FACILITIES.—The Secretary of Energy shall take appropriate actions to ensure that—

(1) officials of the Department of Energy who are responsible for independent oversight of matters relating to nuclear safety at defense nuclear facilities and enforcement of nuclear safety standards at such facilities maintain independence from

officials who are engaged in, or who are advising persons who are engaged in, management of such facilities;

(2) the independent, internal oversight functions carried out by the Department include activities relating to—

(A) the assessment of the safety of defense nuclear facilities;

(B) the assessment of the effectiveness of Department program offices in carrying out programs relating to the environment, safety, health, and security at defense nuclear facilities;

(C) the provision to the Secretary of oversight reports that—

(i) contain validated technical information; and

(ii) provide a clear analysis of the extent to which line programs governing defense nuclear facilities meet applicable goals for the environment, safety, health, and security at such facilities; and

(D) the development of clear performance standards to be used in assessing the adequacy of the programs referred to in subparagraph (C)(ii);

(3) the Department has a system for bringing issues relating to nuclear safety at defense nuclear facilities to the attention of the officials of the Department (including the Secretary of Energy) who have authority to resolve such issues in an adequate and timely manner; and

(4) an adequate number of qualified personnel of the Department are assigned to oversee matters relating to nuclear safety at defense nuclear facilities and enforce nuclear safety standards at such facilities.

(b) REPORT.—Not later than January 5, 1995, the Secretary shall submit to Congress a report describing the following:

(1) The actions that the Secretary has taken or will take to fulfill the requirements set forth in paragraphs (1), (2), and (3) of subsection (a).

(2) The actions in addition to the actions described under paragraph (1) that the Secretary could take in order to fulfill such requirements.

(3) The respective roles with regard to nuclear safety at defense nuclear facilities of the following officials:

(A) The Associate Deputy Secretary of Energy for Field Management.

(B) The Assistant Secretary of Energy for Defense Programs.

(C) The Assistant Secretary of Energy for Environmental Restoration and Waste Management.

SEC. 4643. PROGRAM TO MONITOR DEPARTMENT OF ENERGY WORKERS EXPOSED TO HAZARDOUS AND RADIOACTIVE SUBSTANCES.

(a) IN GENERAL.—The Secretary shall establish and carry out a program for the identification and on-going medical evaluation of current and former Department of Energy employees who are subject to significant health risks as a result of the exposure of such employees to hazardous or radioactive substances during such employment.

(b) IMPLEMENTATION OF PROGRAM.—(1) The Secretary shall, with the concurrence of the Secretary of Health and Human Services, issue regulations under which the Secretary shall implement the program. Such regulations shall, to the extent practicable, provide for a process to—

(A) identify the hazardous substances and radioactive substances to which current and former Department of Energy employees may have been exposed as a result of such employment;

(B) identify employees referred to in subparagraph (A) who received a level of exposure identified under paragraph (2)(B);

(C) determine the appropriate number, scope, and frequency of medical evaluations and laboratory tests to be provided to employees who have received a level of exposure identified under paragraph (2)(B) to permit the Secretary to evaluate fully the extent, nature, and medical consequences of such exposure;

(D) make available the evaluations and tests referred to in subparagraph (C) to the employees referred to in such subparagraph;

(E) ensure that privacy is maintained with respect to medical information that personally identifies any such employee; and

(F) ensure that employee participation in the program is voluntary.

(2)(A) In determining the most appropriate means of carrying out the activities referred to in subparagraphs (A) through (D) of paragraph (1), the Secretary shall consult with the Secretary of Health and Human Services under the agreement referred to in subsection (c).

(B) The Secretary of Health and Human Services, with the assistance of the Director of the Centers for Disease Control and the Director of the National Institute for Occupational Safety and Health, and the Secretary of Labor shall identify the levels of exposure to the substances referred to in subparagraph (A) of paragraph (1) that present employees referred to in such subparagraph with significant health risks under Federal and State occupational, health, and safety standards;

(3) In prescribing the guidelines referred to in paragraph (1), the Secretary shall consult with representatives of the following entities:

(A) The American College of Occupational and Environmental Medicine.

(B) The National Academy of Sciences.

(C) The National Council on Radiation Protection.

(D) Any labor organization or other collective bargaining agent authorized to act on the behalf of employees of a Department of Energy defense nuclear facility.

(4) The Secretary shall provide for each employee identified under paragraph (1)(D) and provided with any medical examination or test under paragraph (1)(E) to be notified by the appropriate medical personnel of the identification and the results of any such examination or test. Each notification under this paragraph shall be provided in a form that is readily understandable by the employee.

(5) The Secretary shall collect and assemble information relating to the examinations and tests carried out under paragraph (1)(E).

(6) The Secretary shall commence carrying out the program described in this subsection not later than October 23, 1993.

(c) AGREEMENT WITH SECRETARY OF HEALTH AND HUMAN SERVICES.—Not later than April 23, 1993, the Secretary shall enter into an agreement with the Secretary of Health and Human Services relating to the establishment and conduct of the program required and regulations issued under this section.

(c) DEFINITIONS.—In this section:

(1) The term "Department of Energy defense nuclear facility" has the meaning given that term in section 4604(g).

(2) The term "Department of Energy employee" means any employee of the Department of Energy employed at a Department of Energy defense nuclear facility, including any employee of a contractor of subcontractor of the Department of Energy employed at such a facility.

TITLE XLVII—BUDGET AND FINANCIAL MANAGEMENT MATTERS

Subtitle A—Recurring National Security Authorization Provisions

SEC. [3620.] *4701.* DEFINITIONS.

In this subtitle:

(1) * * *

* * * * * * *

SEC. [3621.] *4702.* REPROGRAMMING.

(a) IN GENERAL.—Except as provided in subsection (b) and in [sections 3629 and 3630] *sections 4710 and 4711*, the Secretary of Energy may not use amounts appropriated pursuant to a DOE national security authorization for a program—

(1) * * *

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SEC. [3622.] *4703.* MINOR CONSTRUCTION PROJECTS.

(a) * * *

* * * * * * *

SEC. [3623.] *4704.* LIMITS ON CONSTRUCTION PROJECTS.

(a) * * *

* * * * * * *

SEC. [3624.] *4705.* FUND TRANSFER AUTHORITY.

(a) * * *

* * * * * * *

SEC. [3625.] *4706.* CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) CONCEPTUAL DESIGN.—

(1) * * *

* * * * * * *

(3) EXCEPTIONS.—The requirement in paragraph (1) does not apply to a request for funds—

(A) * * *

(B) for emergency planning, design, and construction activities under section [3626] *4707*.

* * * * * * *

SEC. [3626.] *4707*. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) * * *

* * * * * * *

(c) SPECIFIC AUTHORITY.—The requirement of section [3625(b)(2)] *4706(b)(2)* does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. [3627.] *4708*. SCOPE OF AUTHORITY TO CARRY OUT PLANT PROJECTS.

In carrying out programs necessary for national security, the authority of the Secretary of Energy to carry out plant projects includes authority for maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto.

[SEC. 3628. AVAILABILITY OF FUNDS.

[(a) IN GENERAL.—Except as provided in subsection (b), amounts appropriated pursuant to a DOE national security authorization for operation and maintenance or for plant projects may, when so specified in an appropriations Act, remain available until expended.

[(b) EXCEPTION FOR PROGRAM DIRECTION FUNDS.—Amounts appropriated for program direction pursuant to a DOE national security athorization for a fiscal year shall remain available to be obligated only until the end of that fiscal year.]

SEC. 4709. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b), amounts appropriated pursuant to a DOE national security authorization for a fiscal year—

(1) shall remain available to be expended only in that fiscal year and the two succeeding fiscal years, in the case of amounts for the National Nuclear Security Administration; and

(2) may, when so specified in an appropriations Act, remain available until expended, in all other cases.

(b) PROGRAM DIRECTION.—Amounts appropriated pursuant to a DOE national security authorization for a fiscal year for program direction shall remain available to be obligated only until the end of that fiscal year.

SEC. [3629.] *4710*. TRANSFER OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

(a) * * *

* * * * * * *

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section [3621] *4702* shall not apply to transfers of funds pursuant to subsection (a).

* * * * * * *

SEC. [3630.] *4711.* TRANSFER OF WEAPONS ACTIVITIES FUNDS.

(a) * * *

* * * * * * *

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section [3621] *4702* shall not apply to transfers of funds pursuant to subsection (a).

* * * * * * *

SEC. [3631.] *4712.* FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section [3621] *4702*, amounts appropriated pursuant to a DOE national security authorization for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

Subtitle B—Penalties

SEC. 4721. RESTRICTION ON USE OF FUNDS TO PAY PENALTIES UNDER ENVIRONMENTAL LAWS.

(a) RESTRICTION.—Funds appropriated to the Department of Energy for the Naval Nuclear Propulsion Program or the nuclear weapons programs or other atomic energy defense activities of the Department of Energy may not be used to pay a penalty, fine, or forfeiture in regard to a defense activity or facility of the Department of Energy due to a failure to comply with any environmental requirement.

(b) EXCEPTION.—Subsection (a) shall not apply with respect to an environmental requirement if—

(1) the President fails to request funds for compliance with the environmental requirement; or

(2) the Congress has appropriated funds for such purpose (and such funds have not been sequestered, deferred, or rescinded) and the Secretary of Energy fails to use the funds for such purpose.

SEC. 4722. RESTRICTION ON USE OF FUNDS TO PAY PENALTIES UNDER CLEAN AIR ACT.

None of the funds authorized to be appropriated by the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1981 (Public Law 96–540) or any other Act may be used to pay any penalty, fine, forfeiture, or settlement resulting from a failure to comply with the Clean Air Act (42 U.S.C. 7401 et seq.) with respect to any defense activity of the Department of Energy if (1) the Secretary finds that compliance is physically impossible within the time prescribed for compliance, or (2) the President has specifically requested appropriations for compliance and the Congress has failed to appropriate funds for such purpose.

Subtitle C—Other Matters

SEC. 4731. SINGLE REQUEST FOR AUTHORIZATION OF APPROPRIATIONS FOR COMMON DEFENSE AND SECURITY PROGRAMS.

The Secretary shall submit to the Congress for fiscal year 1980, and for each subsequent fiscal year, a single request for authorizations for appropriations for all programs of the Department of Energy involving scientific research and development in support of the armed forces, military applications of nuclear energy, strategic and critical materials necessary for the common defense, and other programs which involve the common defense and security of the United States.

TITLE XLVIII—ADMINISTRATIVE MATTERS

Subtitle A—Contracts

SEC. 4801. COSTS NOT ALLOWED UNDER COVERED CONTRACTS.

(a) IN GENERAL.—The following costs are not allowable under a covered contract:

(1) Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

(2) Costs incurred to influence (directly or indirectly) legislative action on any matter pending before Congress or a State legislature.

(3) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of false certification).

(4) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with applicable regulations of the Secretary of Energy.

(5) Costs of membership in any social, dining, or country club or organization.

(6) Costs of alcoholic beverages.

(7) Contributions or donations, regardless of the recipient.

(8) Costs of advertising designed to promote the contractor or its products.

(9) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

(10) Costs for travel by commercial aircraft or by travel by other than common carrier that is not necessary for the per-

formance of the contract and the cost of which exceeds the amount of the standard commercial fare.

(b)(1) REGULATIONS.—Not later than 150 days after November 8, 1985, the Secretary of Energy shall prescribe regulations to implement this section. Such regulations may establish appropriate definitions, exclusions, limitations, and qualifications. Such regulations shall be published in accordance with section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b).

(2) In any regulations implementing subsection (a)(2), the Secretary may not treat as not allowable (by reason of such subsection) the following costs of a contractor:

(A) Costs of providing to Congress or a State legislature, in response to a request from Congress or a State legislature, information of a factual, technical, or scientific nature, or advice of experts, with respect to topics directly related to the performance of the contract.

(B) Costs for transportation, lodging, or meals incurred for the purpose of providing such information or advice.

(c) DEFINITION.—In this section, "covered contract" means a contract for an amount more than $100,000 entered into by the Secretary of Energy obligating funds appropriated for national security programs of the Department of Energy.

(d) EFFECTIVE DATE.—Subsection (a) shall apply with respect to costs incurred under a covered contract on or after 30 days after the regulations required by subsection (b) are issued.

SEC. 4802. PROHIBITION AND REPORT ON BONUSES TO CONTRACTORS OPERATING DEFENSE NUCLEAR FACILITIES.

(a) PROHIBITION.—The Secretary of Energy may not provide any bonuses, award fees, or other form of performance- or production-based awards to a contractor operating a Department of Energy defense nuclear facility unless, in evaluating the performance or production under the contract, the Secretary considers the contractor's compliance with all applicable environmental, safety, and health statutes, regulations, and practices for determining both the size of, and the contractor's qualification for, such bonus, award fee, or other award. The prohibition in this subsection applies with respect to contracts entered into, or contract options exercised, after November 29, 1989.

(b) REPORT ON ROCKY FLATS BONUSES.—The Secretary of Energy shall investigate the payment, from 1981 to 1988, of production bonuses to Rockwell International, the contractor operating the Rocky Flats Plant (Golden, Colorado), for purposes of determining whether the payment of such bonuses was made under fraudulent circumstances. Not later than May 29, 1990, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the results of that investigation, including the Secretary's conclusions and recommendations.

(c) DEFINITION.—In this section, the term "Department of Energy defense nuclear facility" has the meaning given such term by section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g).

(d) REGULATIONS.—The Secretary of Energy shall promulgate regulations to implement subsection (a) not later than March 1, 1990.

SEC. 4803. CONTRACTOR LIABILITY FOR INJURY OR LOSS OF PROPERTY ARISING OUT OF ATOMIC WEAPONS TESTING PROGRAMS.

(a) SHORT TITLE.—This section may be cited as the "Atomic Testing Liability Act".

(b) FEDERAL REMEDIES APPLICABLE; EXCLUSIVENESS OF REMEDIES.—

(1) REMEDY.—The remedy against the United States provided by sections 1346(b) and 2672 of title 28, United States Code, by the Act of March 9, 1920 (46 U.S.C. App. 741–752), or by the Act of March 3, 1925 (46 U.S.C. App. 781–790), as appropriate, for injury, loss of property, personal injury, or death shall apply to any civil action for injury, loss of property, personal injury, or death due to exposure to radiation based on acts or omissions by a contractor in carrying out an atomic weapons testing program under a contract with the United States.

(2) EXCLUSIVITY.—The remedies referred to in paragraph (1) shall be exclusive of any other civil action or proceeding for the purpose of determining civil liability arising from any act or omission of the contractor without regard to when the act or omission occurred. The employees of a contractor referred to in paragraph (1) shall be considered to be employees of the Federal Government, as provided in section 2671 of title 28, United States Code, for the purposes of any such civil action or proceeding; and the civil action or proceeding shall proceed in the same manner as any action against the United States filed pursuant to section 1346(b) of such title and shall be subject to the limitations and exceptions applicable to those actions.

(c) PROCEDURE.—A contractor against whom a civil action or proceeding described in subsection (b) is brought shall promptly deliver all processes served upon that contractor to the Attorney General of the United States. Upon certification by the Attorney General that the suit against the contractor is within the provisions of subsection (b), a civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States for the district and division embracing the place wherein it is pending and the proceedings shall be deemed a tort action brought against the United States under the provisions of section 1346(b), 2401(b), or 2402, or sections 2671 through 2680 of title 28, United States Code. For purposes of removal, the certification by the Attorney General under this subsection establishes contractor status conclusively.

(d) ACTIONS COVERED.—The provisions of this section shall apply to any action, within the provisions of subsection (b), which is pending on November 5, 1990, or commenced on or after such date. Notwithstanding section 2401(b) of title 28, United States Code, if a civil action or proceeding to which this section applies is pending on the date of the enactment of this Act and is dismissed because the plaintiff in such action or proceeding did not file an administrative claim as required by section 2672 of that title, the plaintiff in that action or proceeding shall have 30 days from the date of the dismissal or two years from the date upon which the claim accrued, whichever is later, to file an administrative claim, and any claim or subsequent civil action or proceeding shall there-

after be subject to the provisions of section 2401(b) of title 28, United States Code.

(e) "CONTRACTOR" DEFINED.—For purposes of this section, the term "contractor" includes a contractor or cost reimbursement subcontractor of any tier participating in the conduct of the United States atomic weapons testing program for the Department of Energy (or its predecessor agencies, including the Manhattan Engineer District, the Atomic Energy Commission, and the Energy Research and Development Administration). Such term also includes facilities which conduct or have conducted research concerning health effects of ionizing radiation in connection with the testing under contract with the Department of Energy (or any of its predecessor agencies).

Subtitle B—Research and Development

SEC. 4811. LABORATORY–DIRECTED RESEARCH AND DEVELOPMENT PROGRAMS.

(a) AUTHORITY.—Government-owned, contractor-operated laboratories that are funded out of funds available to the Department of Energy for national security programs are authorized to carry out laboratory-directed research and development.

(b) REGULATIONS.—The Secretary of Energy shall prescribe regulations for the conduct of laboratory-directed research and development at such laboratories.

(c) FUNDING.—Of the funds provided by the Department of Energy to such laboratories for national security activities, the Secretary shall provide a specific amount, not to exceed 6 percent of such funds, to be used by such laboratories for laboratory-directed research and development.

(d) DEFINITION.—For purposes of this section, the term "laboratory-directed research and development" means research and development work of a creative and innovative nature which, under the regulations prescribed pursuant to subsection (b), is selected by the director of a laboratory for the purpose of maintaining the vitality of the laboratory in defense-related scientific disciplines.

SEC. 4812. LIMITATIONS ON USE OF FUNDS FOR LABORATORY DIRECTED RESEARCH AND DEVELOPMENT PURPOSES.

(a) GENERAL LIMITATIONS.—(1) No funds authorized to be appropriated or otherwise made available to the Department of Energy in any fiscal year after fiscal year 1997 for weapons activities may be obligated or expended for activities under the Department of Energy Laboratory Directed Research and Development Program, or under any Department of Energy technology transfer program or cooperative research and development agreement, unless such activities support the national security mission of the Department of Energy.

(2) No funds authorized to be appropriated or otherwise made available to the Department of Energy in any fiscal year after fiscal year 1997 for environmental restoration, waste management, or nuclear materials and facilities stabilization may be obligated or expended for activities under the Department of Energy Laboratory Directed Research and Development Program, or under any Department of Energy technology transfer program or cooperative research and development agreement, unless such activities support the envi-

ronmental restoration mission, waste management mission, or materials stabilization mission, as the case may be, of the Department of Energy.

(b) LIMITATION IN FISCAL YEAR 1998 PENDING SUBMITTAL OF ANNUAL REPORT.—Not more than 30 percent of the funds authorized to be appropriated or otherwise made available to the Department of Energy in fiscal year 1998 for laboratory directed research and development may be obligated or expended for such research and development until the Secretary of Energy submits to the congressional defense committees the report required by section 4812A(b) in 1998.

(c) SUBMITTAL DATE FOR ANNUAL REPORT ON LABORATORY DIRECTED RESEARCH AND DEVELOPMENT PROGRAM.—Paragraph (1) of section 3136(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2831; 42 U.S.C. 7257b) is amended by striking out "The Secretary of Energy shall annually submit" and inserting in lieu thereof "Not later than February 1 each year, the Secretary of Energy shall submit".

(d) ASSESSMENT OF FUNDING LEVEL FOR LABORATORY DIRECTED RESEARCH AND DEVELOPMENT.—The Secretary shall include in the report submitted under such section 4812A(b)(1) in 1998 an assessment of the funding required to carry out laboratory directed research and development, including a recommendation for the percentage of the funds provided to Government-owned, contractor-operated laboratories for national security activities that should be made available for such research and development under section 4811(c).

(e) DEFINITION.—In this section, the term "laboratory directed research and development" has the meaning given that term in section 4811(d).

SEC. 4812A. LIMITATION ON USE OF FUNDS FOR CERTAIN RESEARCH AND DEVELOPMENT PURPOSES.

(a) LIMITATION.—No funds authorized to be appropriated or otherwise made available to the Department of Energy for fiscal year 1997 under section 3101 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201) may be obligated or expended for activities under the Department of Energy Laboratory Directed Research and Development Program, or under any Department of Energy technology transfer program or cooperative research and development agreement, unless such activities support the national security mission of the Department of Energy.

(b) ANNUAL REPORT.—(1) Not later than February 1 each year, the Secretary of Energy shall submit to the congressional defense committees a report on the funds expended during the preceding fiscal year on activities under the Department of Energy Laboratory Directed Research and Development Program. The purpose of the report is to permit an assessment of the extent to which such activities support the national security mission of the Department of Energy.

(2) Each report shall be prepared by the officials responsible for Federal oversight of the funds expended on activities under the program.

(3) Each report shall set forth the criteria utilized by the officials preparing the report in determining whether or not the activities reviewed by such officials support the national security mission of the Department.

SEC. 4813. CRITICAL TECHNOLOGY PARTNERSHIPS.

(a) PARTNERSHIPS.—For the purpose of facilitating the transfer of technology, the Secretary of Energy shall ensure, to the maximum extent practicable, that atomic energy defense activities research on, and development of, any dual-use critical technology is conducted through cooperative research and development agreements, or other arrangements, that involve laboratories of the Department of Energy and other entities.

(b) DEFINITIONS.—In this section:

(1) The term "dual-use critical technology" means a technology—

(A) that is critical to atomic energy defense activities, as determined by the Secretary of Energy;

(B) that has military applications and nonmilitary applications; and

(C) that either—

(i)(I) appears on the list of national critical technologies contained in a biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)); and

(II) has not been expressly deleted from such list by such a report subsequently submitted to Congress by the President; or

(ii)(I) appears on the list of critical technologies contained in an annual defense critical technologies plan submitted to Congress by the Secretary of Defense pursuant to section 2506 of title 10, United States Code; and

(II) has not been expressly deleted from such list by such a plan subsequently submitted to Congress by the Secretary.

(2) The term "cooperative research and development agreement" has the meaning given that term by section 12(d) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)).

(3) The term "other entities" means—

(A) firms, or a consortium of firms, that are eligible to participate in a partnership or other arrangement with a laboratory of the Department of Energy, as determined in accordance with applicable law and regulations; or

(B) firms, or a consortium of firms, described in subparagraph (A) in combination with one or more of the following:

(i) Institutions of higher education in the United States.

(ii) Departments and agencies of the Federal Government other than the Department of Energy.

(iii) Agencies of State Governments.

(iv) Any other persons or entities that may be eligible and appropriate, as determined in accordance with applicable laws and regulations.

(4) The term "atomic energy defense activities" does not include activities covered by Executive Order No. 12344, dated

February 1, 1982, pertaining to the Naval nuclear propulsion program.

SEC. 4814. UNIVERSITY-BASED RESEARCH COLLABORATION PROGRAM.

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

(1) The maintenance of scientific and engineering competence in the United States is vital to long-term national security and the defense and national security missions of the Department of Energy.

(2) Engaging the universities and colleges of the Nation in research on long-range problems of vital national security interest will be critical to solving the technology challenges faced within the defense and national security programs of the Department of Energy in the next century.

(3) Enhancing collaboration among the national laboratories, universities and colleges, and industry will contribute significantly to the performance of these Department of Energy missions.

(b) PROGRAM.—The Secretary of Energy shall establish a university program at a location that can develop the most effective collaboration among national laboratories, universities and colleges, and industry in support of scientific and engineering advancement in key Department of Energy defense and national security program areas.

(c) FUNDING.—Of the funds authorized to be appropriated in title XXXI of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) to the Department of Energy for fiscal year 1998, the Secretary shall make $5,000,000 available for the establishment and operation of the program under subsection (b).

Subtitle C—Facilities Management

SEC. 4831. TRANSFERS OF REAL PROPERTY AT CERTAIN DEPARTMENT OF ENERGY FACILITIES.

(a) TRANSFER REGULATIONS.—(1) The Secretary of Energy shall prescribe regulations for the transfer by sale or lease of real property at Department of Energy defense nuclear facilities for the purpose of permitting the economic development of the property.

(2) The Secretary of Energy may not transfer real property under the regulations prescribed under paragraph (1) until—

(A) the Secretary submits a notification of the proposed transfer to the congressional defense committees; and

(B) a period of 30 days has elapsed following the date on which the notification is submitted.

(b) INDEMNIFICATION.—(1) Except as provided in paragraph (3) and subject to subsection (c), in the sale or lease of real property pursuant to the regulations prescribed under subsection (a), the Secretary of Energy may hold harmless and indemnify a person or entity described in paragraph (2) against any claim for injury to person or property that results from the release or threatened release of a hazardous substance or pollutant or contaminant as a result of Department of Energy activities at the defense nuclear facility on which the real property is located. Before entering into any agreement for such a sale or lease, the Secretary shall notify the person or entity that the Secretary has authority to provide indemnification

to the person or entity under this subsection. The Secretary shall include in any agreement for such a sale or lease a provision stating whether indemnification is or is not provided.

(2) Paragraph (1) applies to the following persons and entities:

(A) Any State that acquires ownership or control of real property of a defense nuclear facility.

(B) Any political subdivision of a State that acquires such ownership or control.

(C) Any other person or entity that acquires such ownership or control.

(3) To the extent the persons and entities described in paragraph (2) contributed to any such release or threatened release, paragraph (1) shall not apply.

(c) CONDITIONS.—(1) No indemnification on a claim for injury may be provided under this section unless the person or entity making a request for the indemnification—

(A) notifies the Secretary of Energy in writing within two years after such claim accrues;

(B) furnishes to the Secretary copies of pertinent papers received by the person or entity;

(C) furnishes evidence or proof of the claim;

(D) provides, upon request by the Secretary, access to the records and personnel of the person or entity for purposes of defending or settling the claim; and

(E) begins action within six months after the date of mailing, by certified or registered mail, of notice of final denial of the claim by the Secretary.

(2) For purposes of paragraph (1)(A), the date on which a claim accrues is the date on which the person asserting the claim knew (or reasonably should have known) that the injury to person or property referred to in subsection (b)(1) was caused or contributed to by the release or threatened release of a hazardous substance, pollutant, or contaminant as a result of Department of Energy activities at the defense nuclear facility on which the real property is located.

(d) AUTHORITY OF SECRETARY OF ENERGY.—(1) In any case in which the Secretary of Energy determines that the Secretary may be required to indemnify a person or entity under this section for any claim for injury to person or property referred to in subsection (b)(1), the Secretary may settle or defend the claim on behalf of that person or entity.

(2) In any case described in paragraph (1), if the person or entity that the Secretary may be required to indemnify does not allow the Secretary to settle or defend the claim, the person or entity may not be indemnified with respect to that claim under this section.

(e) RELATIONSHIP TO OTHER LAW.—Nothing in this section shall be construed as affecting or modifying in any way section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)).

(f) DEFINITIONS.—In this section:

(1) The term "defense nuclear facility" has the meaning provided by the term "Department of Energy defense nuclear facility" in section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g).

(2) The terms "hazardous substance", "release", and "pollutant or contaminant" have the meanings provided by section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601).

SEC. 4832. ENGINEERING AND MANUFACTURING RESEARCH, DEVELOPMENT, AND DEMONSTRATION BY PLANT MANAGERS OF CERTAIN NUCLEAR WEAPONS PRODUCTION PLANTS.

(a) AUTHORITY FOR PROGRAMS AT NUCLEAR WEAPONS PRODUCTIONS FACILITIES.—The Administrator for Nuclear Security shall authorize the head of each nuclear weapons production facility to establish an Engineering and Manufacturing Research, Development, and Demonstration Program under this section.

(b) PROJECTS AND ACTIVITIES.—The projects and activities carried out through the program at a nuclear weapons production facility under this section shall support innovative or high-risk design and manufacturing concepts and technologies with potentially high payoff for the nuclear weapons complex. Those projects and activities may include—

(1) replacement of obsolete or aging design and manufacturing technologies;

(2) development of innovative agile manufacturing techniques and processes; and

(3) training, recruitment, or retention of essential personnel in critical engineering and manufacturing disciplines.

(c) FUNDING.—The Administrator may authorize the head of each nuclear weapons production facility to obligate up to $3,000,000 of funds within the Advanced Design and Production Technologies Campaign available for such facility during fiscal year 2001 to carry out projects and activities of the program under this section at that facility.

(d) REPORT.—The Administrator for Nuclear Security shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives, not later than September 15, 2001, a report describing, for each nuclear weapons production facility, each project or activity for which funds were obligated under the program, the criteria used in the selection of each such project or activity, the potential benefits of each such project or activity, and the Administrator's recommendation concerning whether the program should be continued.

(e) DEFINITION.—For purposes of this section, the term "nuclear weapons production facility" has the meaning given that term in section 3281(2) of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 968; 50 U.S.C. 2471(2)).

SEC. 4833. PILOT PROGRAM RELATING TO USE OF PROCEEDS OF DISPOSAL OR UTILIZATION OF CERTAIN DEPARTMENT OF ENERGY ASSETS.

(a) PURPOSE.—The purpose of this section is to encourage the Secretary of Energy to dispose of or otherwise utilize certain assets of the Department of Energy by making available to the Secretary the proceeds of such disposal or utilization for purposes of defraying the costs of such disposal or utilization.

(b) USE OF PROCEEDS TO DEFRAY COSTS.—(1) Notwithstanding section 3302 of title 31, United States Code, the Secretary may retain from the proceeds of the sale, lease, or disposal of an asset

under subsection (c) an amount equal to the cost of the sale, lease, or disposal of the asset. The Secretary shall utilize amounts retained under this paragraph to defray the cost of the sale, lease, or disposal.

(2) For purposes of paragraph (1), the cost of a sale, lease, or disposal shall include—

(A) the cost of administering the sale, lease, or disposal;

(B) the cost of recovering or preparing the asset concerned for the sale, lease, or disposal; and

(C) any other cost associated with the sale, lease, or disposal.

(c) COVERED TRANSACTIONS.—Subsection (b) applies to the following transactions:

(1) The sale of heavy water at the Savannah River Site, South Carolina, that is under the jurisdiction of the Defense Environmental Management Program.

(2) The sale of precious metals that are under the jurisdiction of the Defense Environmental Management Program.

(3) The lease of buildings and other facilities located at the Hanford Reservation, Washington, that are under the jurisdiction of the Defense Environmental Management Program.

(4) The lease of buildings and other facilities located at the Savannah River Site that are under the jurisdiction of the Defense Environmental Management Program.

(5) The disposal of equipment and other personal property located at the Rocky Flats Defense Environmental Technology Site, Colorado, that is under the jurisdiction of the Defense Environmental Management Program.

(6) The disposal of materials at the National Electronics Recycling Center, Oak Ridge, Tennessee that are under the jurisdiction of the Defense Environmental Management Program.

(d) APPLICABILITY OF DISPOSAL AUTHORITY.—Nothing in this section shall be construed to limit the application of subchapter II of chapter 5 and section 549 of title 40, United States Code, to the disposal of equipment and other personal property covered by this section.

(e) REPORT.—Not later than January 31, 1999, the Secretary shall submit to the congressional defense committees a report on amounts retained by the Secretary under subsection (b) during fiscal year 1998.

Subtitle D—Other Matters

SEC. 4851. SEMIANNUAL REPORTS ON LOCAL IMPACT ASSISTANCE.

The Secretary of Energy shall submit to Congress every six months a report setting forth a description of, and the amount or value of, all local impact assistance provided during the preceding six months under section 4604(c)(6).

TITLE XLIX—MATTERS RELATING TO PARTICULAR FACILITIES

Subtitle A—Hanford Reservation, Washington

SEC. 4901. SAFETY MEASURES FOR WASTE TANKS AT HANFORD NUCLEAR RESERVATION.

(a) IDENTIFICATION AND MONITORING OF TANKS.—Not later than February 3, 1991, the Secretary of Energy shall identify which single-shelled or double-shelled high-level nuclear waste tanks at the Hanford Nuclear Reservation, Richland, Washington, may have a serious potential for release of high-level waste due to uncontrolled increases in temperature or pressure. After completing such identification, the Secretary shall determine whether continuous monitoring is being carried out to detect a release or excessive temperature or pressure at each tank so identified. If such monitoring is not being carried out, as soon as practicable the Secretary shall install such monitoring, but only if a type of monitoring that does not itself increase the danger of a release can be installed.

(b) ACTION PLANS.—Not later than March 5, 1991, the Secretary of Energy shall develop action plans to respond to excessive temperature or pressure or a release from any tank identified under subsection (a).

(c) PROHIBITION.—Beginning March 5, 1991, no additional high-level nuclear waste (except for small amounts removed and returned to a tank for analysis) may be added to a tank identified under subsection (a) unless the Secretary determines that no safer alternative than adding such waste to the tank currently exists or that the tank does not pose a serious potential for release of high-level nuclear waste.

(d) REPORT.—Not later than May 5, 1991, the Secretary shall submit to Congress a report on actions taken to promote tank safety, including actions taken pursuant to this section, and the Secretary's timetable for resolving outstanding issues on how to handle the waste in such tanks.

SEC. 4902. PROGRAMS FOR PERSONS WHO MAY HAVE BEEN EXPOSED TO RADIATION RELEASED FROM HANFORD NUCLEAR RESERVATION.

(a) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy under title XXXI of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510), the Secretary of Energy shall make available $3,000,000 to the State of Washington, $1,000,000 to the State of Oregon, and $1,000,000 to the State of Idaho. Such funds shall be used to develop and implement programs for the benefit of persons who may have been exposed to radiation released from the Department of Energy Hanford Nuclear Reservation (Richland, Washington) between the years 1944 and 1972.

(b) PROGRAMS.—The programs to be developed by the States may include only the following activities:

(1) Preparing and distributing information on the health effects of radiation to health care professionals, and to persons who may have been exposed to radiation.

(2) Developing and implementing mechanisms for referring persons who may have been exposed to radiation to health care professionals with expertise in the health effects of radiation.

(3) Evaluating and, if feasible, implementing, registration and monitoring of persons who may have been exposed to radiation released from the Hanford Nuclear Reservation.

(c) PLAN AND REPORTS.—(1) The States of Washington, Oregon, and Idaho shall jointly develop a single plan for implementing this section.

(2) Not later than May 5, 1991, such States shall submit to the Secretary of Energy and the Congress a copy of the plan developed under paragraph (1).

(3) Not later than May 5, 1992, such States shall submit to the Secretary of Energy and the Congress a single report on the implementation of the plan developed under paragraph (1).

(4) In developing and implementing the plan, such States shall consult with persons carrying out current radiation dose and epidemiological research programs (including the Hanford Thyroid Disease Study of the Centers for Disease Control and the Hanford Environmental Dose Reconstruction Project of the Department of Energy), and may not cause substantial damage to such research programs.

(d) PROHIBITION ON DISCLOSURE OF EXPOSURE INFORMATION.—(1) Except as provided in paragraph (2), a person may not disclose to the public the following:

(A) Any information obtained through a program that identifies a person who may have been exposed to radiation released from the Hanford Nuclear Reservation.

(B) Any information obtained through a program that identifies a person participating in any of the programs developed under this section.

(C) The name, address, and telephone number of a person requesting information referred to in subsection (b)(1).

(D) The name, address, and telephone number of a person who has been referred to a health care professional under subsection (b)(2).

(E) The name, address, and telephone number of a person who has been registered and monitored pursuant to subsection (b)(3).

(F) Information that identifies the person from whom information referred to in this paragraph was obtained under a program or any other third party involved with, or identified by, any such information so obtained.

(G) Any other personal or medical information that identifies a person or party referred to in subparagraphs (A) through (F).

(H) Such other information or categories of information as the chief officers of the health departments of the States of Washington, Oregon, and Idaho jointly designate as information covered by this subsection.

(2) Information referred to in paragraph (1) may be disclosed to the public if the person identified by the information, or the legal

representative of that person, has consented in writing to the disclosure.

(3) The States of Washington, Oregon, and Idaho shall establish uniform procedures for carrying out this subsection, including procedures governing the following:

(A) The disclosure of information under paragraph (2).

(B) The use of the Hanford Health Information Network database.

(C) The future disposition of the database.

(D) Enforcement of the prohibition provided in paragraph (1) on the disclosure of information described in that paragraph.

SEC. 4903. HANFORD WASTE TANK CLEANUP PROGRAM REFORMS.

(a) ESTABLISHMENT OF OFFICE OF RIVER PROTECTION.—The Secretary of Energy shall establish an office at the Hanford Reservation, Richland, Washington, to be known as the "Office of River Protection" (in this section referred to as the "Office").

(b) MANAGEMENT AND RESPONSIBILITIES OF OFFICE.—(1) The Office shall be headed by a senior official of the Department of Energy, who shall report to the Assistant Secretary of Energy for Environmental Management.

(2) The head of the Office shall be responsible for managing, consistent with the policy direction established by the Department, all aspects of the River Protection Project, Richland, Washington.

(c) DEPARTMENT RESPONSIBILITIES.—The Secretary shall provide the manager of the Office with the resources and personnel necessary to manage the tank waste privatization program at Hanford in an efficient and streamlined manner.

(d) INTEGRATED MANAGEMENT PLAN.—Not later than November 29, 2000, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committees on Commerce and on National Security of the House of Representatives an integrated management plan for all aspects of the Hanford Tank Farm operations, including the roles, responsibilities, and reporting relationships of the Office.

(e) REPORT.—Not later than 2 years after the commencement of operations of the Office, the Secretary shall submit to the committees referred to in subsection (d) a report describing—

(1) any progress in or resulting from the utilization of the Tank Waste Remediation System; and

(2) any improvements in the management structure of the Department at Hanford with respect to the Tank Waste Remediation System as a result of the Office.

(f) TERMINATION.—(1) The Office shall terminate on the later to occur of the following dates:

(A) September 30, 2010.

(B) The date on which the Assistant Secretary of Energy for Environmental Management determines, in consultation with the head of the Office, that continuation of the Office is no longer necessary to carry out the responsibilities of the Department of Energy under the Tri-Party Agreement.

(2) The Assistant Secretary shall notify, in writing, the committees referred to in subsection (d) of a determination under paragraph (1).

(3) In this subsection, the term "Tri-Party Agreement" means the Hanford Federal Facility Agreement and Consent Order entered into among the Department of Energy, the Environmental Protection Agency, and the State of Washington Department of Ecology.

SEC. 4904. RIVER PROTECTION PROJECT.

The tank waste remediation system environmental project, Richland, Washington, including all programs relating to the retrieval and treatment of tank waste at the site at Hanford, Washington, under the management of the Office of River Protection, shall be known and designated as the "River Protection Project". Any reference to that project in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the River Protection Project.

SEC. 4905. FUNDING FOR TERMINATION COSTS OF RIVER PROTECTION PROJECT, RICHLAND, WASHINGTON.

The Secretary of Energy may not use appropriated funds to establish a reserve for the payment of any costs of termination of any contract relating to the River Protection Project, Richland, Washington (as designated by section 4904), that is terminated after October 30, 2000. Such costs may be paid from—

(1) appropriations originally available for the performance of the contract concerned;

(2) appropriations currently available for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs, and not otherwise obligated; or

(3) funds appropriated specifically for the payment of such costs.

Subtitle B—Savannah River Site, South Carolina

SEC. 4911. ACCELERATED SCHEDULE FOR ISOLATING HIGH-LEVEL NUCLEAR WASTE AT THE DEFENSE WASTE PROCESSING FACILITY, SAVANNAH RIVER SITE.

The Secretary of Energy shall accelerate the schedule for the isolation of high-level nuclear waste in glass canisters at the Defense Waste Processing Facility at the Savannah River Site, South Carolina, if the Secretary determines that the acceleration of such schedule—

(1) will achieve long-term cost savings to the Federal Government; and

(2) could accelerate the removal and isolation of high-level nuclear waste from long-term storage tanks at the site.

SEC. 4912. MULTI-YEAR PLAN FOR CLEAN-UP.

The Secretary of Energy shall develop and implement a multi-year plan for the clean-up of nuclear waste at the Savannah River Site that results, or has resulted, from the following:

(1) Nuclear weapons activities carried out at the site.

(2) The processing, treating, packaging, and disposal of Department of Energy domestic and foreign spent nuclear fuel rods at the site.

SEC. 4913. CONTINUATION OF PROCESSING, TREATMENT, AND DISPOSAL OF LEGACY NUCLEAR MATERIALS.

The Secretary of Energy shall continue operations and maintain a high state of readiness at the F–canyon and H–canyon facilities at the Savannah River Site, Aiken, South Carolina, and shall provide technical staff necessary to operate and so maintain such facilities.

SEC. 4913A. CONTINUATION OF PROCESSING, TREATMENT, AND DISPOSITION OF LEGACY NUCLEAR MATERIALS.

The Secretary of Energy shall continue operations and maintain a high state of readiness at the F-canyon and H-canyon facilities at the Savannah River Site, Aiken, South Carolina, and shall provide the technical staff necessary to operate and so maintain such facilities.

SEC. 4913B. CONTINUATION OF PROCESSING, TREATMENT, AND DISPOSITION OF LEGACY NUCLEAR MATERIALS.

The Secretary of Energy shall continue operations and maintain a high state of readiness at the F–canyon and H–canyon facilities at the Savannah River Site, Aiken, South Carolina, and shall provide technical staff necessary to operate and so maintain such facilities.

SEC. 4913C. CONTINUATION OF PROCESSING, TREATMENT, AND DISPOSAL OF LEGACY NUCLEAR MATERIALS.

The Secretary of Energy shall continue operations and maintain a high state of readiness at the F-canyon and H-canyon facilities at the Savannah River Site and shall provide technical staff necessary to operate and maintain such facilities at that state of readiness.

SEC. 4913D. CONTINUATION OF PROCESSING, TREATMENT, AND DISPOSAL OF LEGACY NUCLEAR MATERIALS.

The Secretary of Energy shall continue operations and maintain a high state of readiness at the H-canyon facility and the F-canyon facility at the Savannah River Site, and shall provide technical staff necessary to operate and so maintain such facilities, pending the development and implementation of the plan referred to in section 4912.

SEC. 4914. LIMITATION ON USE OF FUNDS FOR DECOMMISSIONING F–CANYON FACILITY.

No amounts authorized to be appropriated or otherwise made available for the Department of Energy by the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398) or any other Act may be obligated or expended for purposes of commencing the decommissioning of the F–canyon facility at the Savannah River Site until the Secretary of Energy and the Defense Nuclear Facilities Safety Board jointly submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives the following:

(1) A certification that all materials present in the F–canyon facility as of the date of the certification are safely stabilized.

(2) A certification whether or not the requirements applicable to the F–canyon facility to meet the future needs of the United States for fissile materials disposition can be met

through full use of the H–canyon facility at the Savannah River Site.

(3) If the certification required by paragraph (2) is that such requirements cannot be met through such use of the H–canyon facility—

(A) an identification by the Secretary of each such requirement that cannot be met through such use of the H–canyon facility; and

(B) for each requirement identified in subparagraph (A), the reasons why that requirement cannot be met through such use of the H–canyon facility and a description of the alternative capability for fissile materials disposition that is needed to meet that requirement.

SEC. [3182.] *4915.* DISPOSITION OF WEAPONS-USABLE PLUTONIUM AT SAVANNAH RIVER SITE.

(a) * * *

* * * * * * *

SEC. 4915A. DISPOSITION OF SURPLUS DEFENSE PLUTONIUM AT SAVANNAH RIVER SITE, AIKEN, SOUTH CAROLINA.

(a) CONSULTATION REQUIRED.—The Secretary of Energy shall consult with the Governor of the State of South Carolina regarding any decisions or plans of the Secretary related to the disposition of surplus defense plutonium and defense plutonium materials located at the Savannah River Site, Aiken, South Carolina.

(b) NOTICE REQUIRED.—For each shipment of defense plutonium or defense plutonium materials to the Savannah River Site, the Secretary shall, not less than 30 days before the commencement of such shipment, submit to the congressional defense committees a report providing notice of such shipment.

(c) PLAN FOR DISPOSITION.—The Secretary shall prepare a plan for disposal of the surplus defense plutonium and defense plutonium materials currently located at the Savannah River Site and for disposal of defense plutonium and defense plutonium materials to be shipped to the Savannah River Site in the future. The plan shall include the following:

(1) A review of each option considered for such disposal.

(2) An identification of the preferred option for such disposal.

(3) With respect to the facilities for such disposal that are required by the Department of Energy's Record of Decision for the Storage and Disposition of Weapons-Usable Fissile Materials Final Programmatic Environmental Impact Statement dated January 14, 1997—

(A) a statement of the cost of construction and operation of such facilities;

(B) a schedule for the expeditious construction of such facilities, including milestones; and

(C) a firm schedule for funding the cost of such facilities.

(4) A specification of the means by which all such defense plutonium and defense plutonium materials will be removed in a timely manner from the Savannah River Site for storage or disposal elsewhere.

(d) PLAN FOR ALTERNATIVE DISPOSITION.—If the Secretary determines not to proceed at the Savannah River Site with construction of the plutonium immobilization plant, or with the mixed oxide fuel fabrication facility, the Secretary shall prepare a plan that identifies a disposition path for all defense plutonium and defense plutonium materials that would otherwise have been disposed of at such plant or such facility, as applicable.

(e) SUBMISSION OF PLANS.—Not later than February 1, 2002, the Secretary shall submit to Congress the plan required by subsection (c) (and the plan prepared under subsection (d), if applicable).

(f) LIMITATION ON PLUTONIUM SHIPMENTS.—If the Secretary does not submit to Congress the plan required by subsection (c) (and the plan prepared under subsection (d), if applicable) by February 1, 2002, the Secretary shall be prohibited from shipping defense plutonium or defense plutonium materials to the Savannah River Site during the period beginning on February 1, 2002, and ending on the date on which such plans are submitted to Congress.

(g) RULE OF CONSTRUCTION.—Nothing in this section may be construed to prohibit or limit the Secretary from shipping defense plutonium or defense plutonium materials to sites other than the Savannah River Site during the period referred to in subsection (f) or any other period.

(h) ANNUAL REPORT ON FUNDING FOR FISSILE MATERIALS DISPOSITION ACTIVITIES.—The Secretary shall include with the budget justification materials submitted to Congress in support of the Department of Energy budget for each fiscal year (as submitted with the budget of the President under section 1105(a) of title 31, United States Code) a report setting forth the extent to which amounts requested for the Department for such fiscal year for fissile materials disposition activities will enable the Department to meet commitments for the disposition of surplus defense plutonium and defense plutonium materials located at the Savannah River Site, and for any other fissile materials disposition activities, in such fiscal year.

Subtitle C—Other Facilities

SEC. 4921. PAYMENT OF COSTS OF OPERATION AND MAINTENANCE OF INFRASTRUCTURE AT NEVADA TEST SITE.

Notwithstanding any other provision of law and effective as of September 30, 1996, the costs associated with operating and maintaining the infrastructure at the Nevada Test Site, Nevada, with respect to any activities initiated at the site after that date by the Department of Defense pursuant to a work-for-others agreement may be paid for from funds authorized to be appropriated to the Department of Energy for activities at the Nevada Test Site.

TITLE 10, UNITED STATES CODE

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Subtitle A—General Military Law

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CHAPTER 1—DEFINITIONS

* * * * * * *

§ 101. Definitions

(a) IN GENERAL.—The following definitions apply in this title:

(1) * * *

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(9) The term "Secretary concerned" means—

(A) * * *

* * * * * * *

(D) the Secretary of [Transportation] *Homeland Security*, with respect to matters concerning the Coast Guard when it is not operating as a service in the Department of the Navy.

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(16) The term "congressional defense committees" means—

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

(B) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

(17) The term "base closure law" means the following:

(A) Section 2687 of this title.

(B) 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).

(C) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

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CHAPTER 2—DEPARTMENT OF DEFENSE

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§ 113. Secretary of Defense

(a) * * *

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

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

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

* * * * * * *

§ 113a. Transmission of annual defense authorization request

(a) * * *

(b) DEFENSE AUTHORIZATION REQUEST DEFINED.—In this section, the term "defense authorization request", with respect to a fiscal year, means a legislative proposal submitted to Congress for the enactment of the following:

(1) * * *

* * * * * * *

(3) Authority to carry out military construction projects, as required by section 2802 of this title.

[(3)] *(4)* Any other matter that is proposed by the Secretary of Defense to be enacted as part of the annual defense authorization bill for that fiscal year.

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§ 117. Readiness reporting system: establishment; reporting to congressional committees

(a) * * *

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(e) SUBMISSION TO CONGRESSIONAL COMMITTEES.—The Secretary shall [each month submit to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on Armed Services and the Committee on Appropriations of the House of Representatives a report in writing containing

the results of the most recent joint readiness review or monthly review conducted under subsection (d)] *each quarter submit to the congressional defense committees a report in writing containing the results of the most recent joint readiness review under subsection (d)(1)(A)*, including the current information derived from the readiness reporting system. Each such report shall be submitted in unclassified form and may, as the Secretary determines necessary, also be submitted in classified form.

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CHAPTER 3—GENERAL POWERS AND FUNCTIONS

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§ 127. Emergency and extraordinary expenses

(a) * * *

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[(d) In any case in which funds are expended under the authority of subsections (a) and (b), the Secretary of Defense shall submit a report of such expenditures on a quarterly basis to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

(d) ANNUAL REPORT.—Not later than December 1 each year, the Secretary of Defense shall submit to the congressional defense committees a report on expenditures during the preceding fiscal year under subsections (a) and (b).

§ 127a. Operations for which funds are not provided in advance: funding mechanisms

(a) IN GENERAL.—(1) * * *

* * * * * * *

[(3) Whenever an operation to which this section applies is commenced or subsequently becomes covered by this section, the Secretary of Defense shall designate and identify that operation for the purposes of this section and shall promptly notify Congress of that designation (and of the identification of the operation).]

[(4)] *(3)* This section does not provide authority for the President or the Secretary of Defense to carry out any operation, but establishes mechanisms for the Department of Defense by which funds are provided for operations that the armed forces are required to carry out under some other authority.

* * * * * * *

[(d) REPORT UPON DESIGNATION OF AN OPERATION.—Within 45 days after the Secretary of Defense identifies an operation pursuant to subsection (a)(2), the Secretary of Defense shall submit to Congress a report that sets forth the following:

[(1) The manner by which the Secretary proposes to obtain funds for the cost to the United States of the operation, including a specific discussion of how the Secretary proposes to restore balances in—

[(A) the Defense Business Operations Fund (or a successor fund), or

[(B) the accounts from which the Secretary transfers funds under the authority of subsection (c), to the levels that would have been anticipated but for the provisions of subsection (c).

[(2) If the operation is described in subsection (a)(1)(B), a justification why the budgetary resources of another department or agency of the Federal Government, instead of resources of the Department of Defense, are not being used for carrying out the operation.

[(3) The objectives of the operation.

[(4) The estimated duration of the operation and of any deployment of armed forces personnel in such operation.

[(5) The estimated incremental cost of the operation to the United States.

[(6) The exit criteria for the operation and for the withdrawal of the elements of the armed forces involved in the operation.]

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§ 128. Physical protection of special nuclear material: limitation on dissemination of unclassified information

(a) * * *

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[(d) The Secretary shall prepare on an annual basis a report to be made available upon the request of any interested person, detailing the Secretary's application during that period of each regulation or order prescribed or issued under this section. In particular, such report shall—

[(1) identify any information protected from disclosure pursuant to such regulation or order;

[(2) specifically state the Secretary's justification for determining that unauthorized dissemination of the information protected from disclosure under such regulation or order could reasonably be expected to have a significant adverse effect on the health and safety of the public or the common defense and security by significantly increasing the likelihood of illegal production of nuclear weapons or the theft, diversion, or sabotage of special nuclear materials, equipment, or facilities, as specified under subsection (a); and

[(3) provide justification that the Secretary has applied such regulation or order so as to protect from disclosure only the minimum amount of information necessary to protect the health and safety of the public or the common defense and security.]

§ 129. Prohibition of certain civilian personnel management constraints

(a) * * *

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[(f)(1) Not later than February 1 of each year, the Secretary of each military department and the head of each Defense Agency shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representa-

tives a report on the management of the civilian workforce under the jurisdiction of that official.

[(2) Each report of an official under paragraph (1) shall contain the following:

[(A) The official's certification (i) that the civilian workforce under the jurisdiction of the official is not subject to any constraint or limitation in terms of man years, end strength, full-time equivalent positions, or maximum number of employees, and (ii) that, during the 12 months preceding the date on which the report is due, such workforce has not been subject to any such constraint or limitation.

[(B) A description of how the civilian workforce is managed.

[(C) A detailed description of the analytical tools used to determine civilian workforce requirements during the 12-month period referred to in subparagraph (A).]

* * * * * * *

§ 129b. Experts and consultants: authority to procure services of

(a) AUTHORITY.—Subject to subsection (b), the Secretary of Defense and the Secretaries of the military departments may—

(1) procure the services of experts or consultants (or of organizations of experts or consultants) [in accordance with section 3109 of title 5]; and

* * * * * * *

(d) ADDITIONAL AUTHORITY.—(1) In addition to the authority provided under subsection (a), the Secretary of Defense may enter into personal services contracts with individuals, regardless of their nationality, outside of the United States.

(2) The contracting officer for a personal services contract shall be responsible for ensuring that a personal services contract is the appropriate vehicle for carrying out the purpose of the contract.

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CHAPTER 4—OFFICE OF THE SECRETARY OF DEFENSE

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§ 133. Under Secretary of Defense for Acquisition, Technology, and Logistics

(a) * * *

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(c) The Under Secretary—

(1) is the [senior procurement executive] *Chief Acquisition Officer* for the Department of Defense for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3));

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§ 135. Under Secretary of Defense (Comptroller)

(a) * * *

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(e)[(1)] The Under Secretary of Defense (Comptroller) shall ensure that [each congressional committee specified in paragraph (2)] *each of the congressional defense committees* is informed, in a timely manner, regarding all matters relating to the budgetary, fiscal, and analytic activities of the Department of Defense that are under the supervision of the Under Secretary of Defense (Comptroller).

[(2) The committees referred to in paragraph (1) are—

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

[(B) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

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CHAPTER 5—JOINT CHIEFS OF STAFF

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§ 153. Chairman: functions

(a) * * *

(b) RISKS UNDER NATIONAL MILITARY STRATEGY.—(1) Not later than January 1 [each year] *of each odd-numbered year*, the Chairman shall submit to the Secretary of Defense a report providing the Chairman's assessment of the nature and magnitude of the strategic and military risks associated with executing the missions called for under the current National Military Strategy.

* * * * * * *

(c) ANNUAL REPORT ON COMBATANT COMMAND REQUIREMENTS.—(1) At or about the time that the budget is submitted to Congress for a fiscal year under section 1105(a) of title 31, the Chairman shall submit to the [committees of Congress named in paragraph (2)] *congressional defense committees* a report on the requirements of the combatant commands established under section 161 of this title.

[The report] *(2) Each report under paragraph (1)* shall contain the following:

(A) * * *

* * * * * * *

[(2) The committees of Congress referred to in paragraph (1) are the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.]

(d) BIENNIAL REVIEW OF NATIONAL MILITARY STRATEGY.—(1) Not later then February 15 of each even-numbered year, the Chairman shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report containing the results of a comprehensive examination of the national military strategy. Each such examination shall be conducted by the Chairman in conjunction with the other members of the Joint Chiefs of Staff and the commanders of the unified and specified commands.

(2) Each report on the examination of the national military strategy under paragraph (1) shall include the following:

(A) Delineation of a national military strategy consistent with the most recent National Security Strategy prescribed by the President pursuant to section 108 of the National Security Act of 1947 (50 U.S.C. 404a) and the most recent Quadrennial Defense Review prescribed by the Secretary of Defense pursuant to section 118 of this title.

(B) A description of the strategic environment and the opportunities and challenges that affect United States national interests and United States national security.

(C) A description of the regional threats to United States national interests and United States national security.

(D) A description of the international threats posed by terrorism, weapons of mass destruction, and asymmetric challenges to United States national security.

(E) Identification of United States national military objectives and the relationship of those objectives to the strategic environment, regional, and international threats.

(F) Identification of the strategy, underlying concepts, and component elements that contribute to the achievement of United States national military objectives.

(G) Assessment of the capabilities and adequacy of United States forces (including both active and reserve components) to successfully execute the national military strategy.

(H) Assessment of the capabilities, adequacy, and interoperability of regional allies of the United States and or other friendly nations to support United States forces in combat operations and other operations for extended periods of time.

(I) Assessment of the resources, basing requirements, and support structure needed to provide the capabilities necessary to be assured United States forces can successfully achieve national military objectives and to assess what resources and support might be required to sustain allies or friendly nation forces during combat operations.

(3)(A) As part of the assessment under this subsection, the Chairman, in conjunction with the other members of the Joint Chiefs of Staff and the commanders of the unified and specified commands, shall undertake an assessment of the nature and magnitude of the strategic and military risks associated with successfully executing the missions called for under the current National Military Strategy.

(B) In preparing the assessment of risk, the Chairman should assume the existence of those threats described in subparagraphs (C) and (D) of paragraph (2) and should assess the risk associated with two regional threats occurring nearly simultaneously.

(C) In addition to the assumptions to be made under subparagraph (B), the Chairman should make other assumptions pertaining to the readiness of United States forces (in both the active and reserve components), the length of conflict and the level of intensity of combat operations, and the levels of support from allies and other friendly nations.

(4) Before submitting a report under this subsection to the Committees on Armed Services of the Senate and House of Representatives, the Chairman shall provide the report to the Secretary of De-

fense. The Secretary's assessment and comments thereon (if any) shall be included with the report. If the Chairman's assessment in such report in any year is that the risk associated with executing the missions called for under the National Military Strategy is significant, the Secretary shall include with the report as submitted to those committees the Secretary's plan for mitigating the risk.

* * * * * * *

CHAPTER 6—COMBATANT COMMANDS

* * * * * * *

§ 167. Unified combatant command for special operations forces

(a) * * *

* * * * * * *

(l) PERSONAL SERVICES CONTRACTS.—(1) The Secretary of Defense may, notwithstanding section 3109 of title 5, enter into personal services contracts in the United States if the personal services directly support the mission of the special operations command.

(2) The contracting officer for a personal services contract shall be responsible for ensuring that a personal services contract is the appropriate vehicle for carrying out the purpose of the contract.

* * * * * * *

CHAPTER 7—BOARDS, COUNCILS, AND COMMITTEES

* * * * * * *

§ 181. Joint Requirements Oversight Council

(a) * * *

* * * * * * *

(d) AVAILABILITY OF OVERSIGHT INFORMATION TO CONGRESSIONAL DEFENSE COMMITTEES.—(1) * * *

(2) In this [subsection:

[(A) The term "oversight] *subsection, the term "oversight* information" means information and materials comprising analysis and justification that are prepared to support a recommendation that is made to, and approved by, the Secretary of Defense.

[(B) The term "congressional defense committees" means—

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

[(ii) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

* * * * * * *

§ 184. Department of Defense regional centers for security studies

(a) * * *

[(b) REQUIREMENT FOR ANNUAL REPORT.—Not later than February 1 of each year, 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 op-

eration of the Department of Defense regional centers for security studies during the preceding fiscal year. The annual report shall include, for each regional center, the following information:

[(1) The status and objectives of the center.

[(2) The budget of the center, including the costs of operating the center.

[(3) A description of the extent of the international participation in the programs of the center, including the costs incurred by the United States for the participation of each foreign nation.

[(4) A description of the foreign gifts and donations, if any, accepted under any of the following provisions of law:

[(A) Section 2611 of this title.

[(B) Section 1306 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2892).

[(C) Section 1065 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2653; 10 U.S.C. 113 note).]

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CHAPTER 8—DEFENSE AGENCIES AND DEPARTMENT OF DEFENSE FIELD ACTIVITIES

* * * * * * *

SUBCHAPTER I—COMMON SUPPLY AND SERVICE ACTIVITIES

* * * * * * *

§ 193. Combat support agencies: oversight

(a) * * *

* * * * * * *

(d) REVIEW OF NATIONAL SECURITY AGENCY AND [NATIONAL IMAGERY AND MAPPING AGENCY] *NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY*.—(1) Subsections (a), (b), and (c) shall apply to the National Security Agency and the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*, but only with respect to combat support functions that the agencies perform for the Department of Defense.

(2) The Secretary, after consulting with the Director of Central Intelligence, shall establish policies and procedures with respect to the application of subsections (a), (b), and (c) to the National Security Agency and the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*.

(e) COMBAT SUPPORT CAPABILITIES OF DIA, NSA, AND [NIMA] *NGA*.—The Secretary of Defense, in consultation with the Director of Central Intelligence, shall develop and implement, as they may determine to be necessary, policies and programs to correct such deficiencies as the Chairman of the Joint Chiefs of Staff and other officials of the Department of Defense may identify in the capabilities of the Defense Intelligence Agency, the National Security Agency, and the [National Imagery and Mapping Agency] *Na-*

tional Geospatial-Intelligence Agency to accomplish assigned missions in support of military combat operations.

(f) DEFINITION OF COMBAT SUPPORT AGENCY.—In this section, the term "combat support agency" means any of the following Defense Agencies:

(1) * * *

* * * * * * *

(4) The [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*.

* * * * * * *

§ 196. Department of Defense Test Resource Management Center

(a) * * *

(b) DIRECTOR AND DEPUTY DIRECTOR.—(1) At the head of the Center shall be a Director, selected by the Secretary from among commissioned officers of the armed forces on active duty *or from among senior civilian officials or employees of the Department of Defense who have substantial experience in the field of test and evaluation*. The Director, while so serving, holds the grade of lieutenant general or, in the case of an officer of the Navy, [vice admiral] *the grade of vice admiral, or, in the case of a civilian official or employee, an equivalent level*.

* * * * * * *

SUBCHAPTER II—MISCELLANEOUS DEFENSE AGENCY MATTERS

* * * * * * *

§ 201. Certain intelligence officials: consultation and concurrence regarding appointments; evaluation of performance

(a) * * *

(b) CONCURRENCE IN APPOINTMENT.—(1) * * *

(2) Paragraph (1) applies to the following positions:

(A) * * *

* * * * * * *

(C) The Director of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*.

(c) PERFORMANCE EVALUATIONS.—(1) * * *

(2) The positions referred to in paragraph (1) are the following:

(A) * * *

* * * * * * *

(C) The Director of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*.

* * * * * * *

CHAPTER 9—DEFENSE BUDGET MATTERS

Sec.

221. Future-years defense program: submission to Congress; consistency in budgeting.

* * * * * * *

[228. Monthly reports on allocation of funds within operation and maintenance budget subactivities.]

228. Quarterly reports on allocation of funds within operation and maintenance budget subactivities.

* * * * * * *

§ 223. Ballistic missile defense programs: program elements

(a) PROGRAM ELEMENTS SPECIFIED *BY PRESIDENT*.—In the budget justification materials submitted to Congress in support of the Department of Defense budget for any fiscal year (as submitted with the budget of the President under section 1105(a) of title 31), the amount requested for activities of the Missile Defense Agency shall be set forth in accordance with [program elements governing functional areas as follows:

[(1) Technology.

[(2) Ballistic Missile Defense System.

[(3) Terminal Defense Segment.

[(4) Midcourse Defense Segment.

[(5) Boost Defense Segment.

[(6) Sensors Segment.] *such program elements as the President may specify.*

(b) SEPARATE PROGRAM ELEMENTS FOR PROGRAMS ENTERING ENGINEERING AND MANUFACTURING DEVELOPMENT.—(1) * * *

(2) In this subsection, the term "engineering and manufacturing development" [means the development phase whose] *means the period in the course of an acquisition program during which the* primary objectives are to—

(A) * * *

* * * * * * *

(c) MANAGEMENT AND SUPPORT.—The amount requested [for each program element specified in subsection (a)] *for a fiscal year for any program element specified for that fiscal year pursuant to subsection (a)* shall include requests for the amounts necessary for the management and support of the programs, projects, and activities contained in that program element.

§ 224. Ballistic missile defense programs: display of amounts for research, development, test, and evaluation

(a) * * *

* * * * * * *

[(f) CONGRESSIONAL DEFENSE COMMITTEES.—In this section, the term "congressional defense committees" means the following:

[(1) The Committee on Armed Services and the Committee on Appropriations of the Senate.

[(2) The Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

§ 226. Scoring of outlays

(a) ANNUAL OMB/CBO REPORT.—Not later than [December] *January* 15 of each year, the Director of the Office of Management and Budget and the Director of the Congressional Budget Office

shall submit to the Speaker of the House of Representatives and the Committees on Armed Services, Appropriations, and the Budget of the Senate a joint report containing an agreed resolution of all differences between—

(1) the technical assumptions to be used by the Office of Management and Budget in preparing estimates with respect to all accounts in major functional category 050 (National Defense) for the budget to be submitted to Congress [in the following year] *in that year* pursuant to section 1105 of title 31; and

(2) the technical assumptions to be used by the Congressional Budget Office in preparing estimates with respect to those accounts for that budget.

* * * * * * *

[§ 228. Monthly reports on allocation of funds within operation and maintenance budget subactivities]

§ 228. Quarterly reports on allocation of funds within operation and maintenance budget subactivities

(a) [MONTHLY] *QUARTERLY* REPORT.—The Secretary of Defense shall submit to the congressional defense committees a [monthly] *quarterly* report on the allocation of appropriations to O&M budget activities and to the subactivities of those budget activities. Each such report shall be submitted not later than 60 days after the end of the [month] *fiscal-year quarter* to which the report pertains.

* * * * * * *

(c) IDENTIFICATION OF CERTAIN FLUCTUATIONS.—(1) If, in the report under this section for a [month] *quarter* of a fiscal year after the first [month] *quarter* of that fiscal year, an amount shown under subsection (b) for a subactivity is different by more than $15,000,000 from the corresponding amount for that subactivity in the report for the first [month] *quarter* of that fiscal year, the Secretary shall include in the report notice of that difference.

(2) If, in the report under this section for a [month] *quarter* of a fiscal year after a [month] *quarter* for which the report under this section includes a notice under paragraph (1), an amount shown under subsection (b) for a subactivity is different by more than $15,000,000 from the corresponding amount for that subactivity in the most recent report that includes a notice under paragraph (1) or this paragraph, the Secretary shall include in the report notice of that difference.

* * * * * * *

(e) [DEFINITIONS.—In this section:]

[(1) The term] *O&M BUDGET ACTIVITY DEFINED.—In this section, the term* "O&M budget activity" means a budget activity within an operation and maintenance appropriation of the Department of Defense for a fiscal year.

[(2) The term "congressional defense committees" means the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

§ 229. Programs for combating terrorism: display of budget information

(a) * * *

* * * * * * *

[(f) CONGRESSIONAL DEFENSE COMMITTEES DEFINED.—In this section, the term "congressional defense committees" means—

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

[(B) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

* * * * * * *

CHAPTER 20—HUMANITARIAN AND OTHER ASSISTANCE

Sec.
401. Humanitarian and civic assistance provided in conjunction with military operations.

* * * * * * *

§ 401. Humanitarian and civic assistance provided in conjunction with military operations

(a) * * *

* * * * * * *

[(d) The Secretary of Defense shall submit to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on Armed Services and the Committee on International Relations of the House of Representatives a report, not later than March 1 of each year, on activities carried out under this section during the preceding fiscal year. The Secretary shall include in each such report—

[(1) a list of the countries in which humanitarian and civic assistance activities were carried out during the preceding fiscal year;

[(2) the type and description of such activities carried out in each country during the preceding fiscal year; and

[(3) the amount expended in carrying out each such activity in each such country during the preceding fiscal year.]

* * * * * * *

§ 402. Transportation of humanitarian relief supplies to foreign countries

(a) * * *

(b)(1) The Secretary may not transport supplies under subsection (a) unless the Secretary determines that—

(A) * * *

* * * * * * *

(C) there is a legitimate humanitarian need for such supplies by the people *or entity* for whom they are intended;

* * * * * * *

(E) adequate arrangements have been made for the distribution *or use* of such supplies in the destination country.

* * * * * * *

(3) It shall be the responsibility of the [donor to ensure that supplies to be transported under this section] *entity requesting the transport of supplies under this section to ensure that the supplies* are suitable for transport.

* * * * * * *

(d) RESPONSE TO ENVIRONMENTAL EMERGENCIES.—The authority of the Secretary of Defense to transport humanitarian relief supplies under this section includes the authority to transport supplies intended for use to respond to, or mitigate the effects of, an event or condition, such as an oil spill, that threatens serious harm to the environment.

[(d)] *(e)* Not later than July 31 each year, the Secretary of State shall submit to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on Armed Services and the Committee on International Relations of the House of Representatives a report identifying the origin, contents, destination, and disposition of all supplies transported under this section during the 12-month period ending on the preceding June 30.

* * * * * * *

§ 404. Foreign disaster assistance

(a) IN GENERAL.—The President may direct the Secretary of Defense to provide disaster assistance outside the United States to respond to manmade or natural disasters when necessary to prevent loss of lives *or serious harm to the environment*.

* * * * * * *

(c) NOTIFICATION REQUIRED.—Not later than 48 hours after the commencement of disaster assistance activities to provide assistance under this section, the President shall transmit to Congress a report containing notification of the assistance provided, and proposed to be provided, under this section and a description of so much of the following as is then available:

(1) * * *

(2) The threat to human lives *or the environment* presented by the disaster.

* * * * * * *

CHAPTER 21—DEPARTMENT OF DEFENSE INTELLIGENCE MATTERS

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SUBCHAPTER I—GENERAL MATTERS

Sec.
421. Funds for foreign cryptologic support.

* * * * * * *

[424. Disclosure of organizational and personnel information: exemption for Defense Intelligence Agency, National Reconnaissance Office, and National Imagery and Mapping Agency.]

424. Disclosure of organizational and personnel information: exemption for specified intelligence agencies.

* * * * * * *

426. Personal services contracts: authority and limitations.
426. Counterintelligence polygraph program.

* * * * * * *

[§ 424. Disclosure of organizational and personnel information: exemption for Defense Intelligence Agency, National Reconnaissance Office, and National Imagery and Mapping Agency]

§ 424. Disclosure of organizational and personnel information: exemption for specified intelligence agencies

(a) * * *

* * * * * * *

(b) COVERED ORGANIZATIONS.—This section applies to the following organizations of the Department of Defense:

(1) * * *

* * * * * * *

(3) The [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*.

* * * * * * *

§ 425. Prohibition of unauthorized use of name, initials, or seal: specified intelligence agencies

(a) PROHIBITION.—Except with the written permission of both the Secretary of Defense and the Director of Central Intelligence, no person may knowingly use, in connection with any merchandise, retail product, impersonation, solicitation, or commercial activity in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Secretary and the Director, any of the following (or any colorable imitation thereof):

(1) * * *

* * * * * * *

(5) The words "National Geospatial-Intelligence Agency", the initials "NGA," or the seal of the National Geospatial-Intelligence Agency.

* * * * * * *

§ 426. Personal services contracts: authority and limitations

(a) PERSONAL SERVICES.—(1) The Secretary of Defense may, notwithstanding section 3109 of title 5, enter into personal services contracts in the United States if the personal services directly support the mission of a defense intelligence component or counter-intelligence organization.

(2) The contracting officer for a personal services contract shall be responsible for ensuring that a personal services contract is the appropriate vehicle for carrying out the purpose of the contract.

(b) DEFINITION.—In this section, the term "defense intelligence component" means a component of the Department of Defense that is an element of the intelligence community, as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

§ 426. Counterintelligence polygraph program

(a) AUTHORITY FOR PROGRAM.—The Secretary of Defense may carry out a program for the administration of counterintelligence polygraph examinations to persons described in subsection (b). The program shall be based on Department of Defense Directive 5210.48, dated December 24, 1984.

(b) PERSONS COVERED.—Except as provided in subsection (c), the following persons whose duties involve access to information that has been classified at the level of top secret or designated as being within a special access program under section 4.4(a) of Executive Order 12958 (or a successor Executive order) are subject to this section:

(1) Military and civilian personnel of the Department of Defense.

(2) Personnel of defense contractors.

(3) A person assigned or detailed to the Department of Defense.

(4) An applicant for a position in the Department of Defense.

(c) EXCEPTIONS FROM COVERAGE FOR CERTAIN INTELLIGENCE AGENCIES AND FUNCTIONS.—This section does not apply to the following persons:

(1) A person assigned or detailed to the Central Intelligence Agency or to an expert or consultant under a contract with the Central Intelligence Agency.

(2) A person who is—

(A) employed by or assigned or detailed to the National Security Agency;

(B) an expert or consultant under contract to the National Security Agency;

(C) an employee of a contractor of the National Security Agency; or

(D) a person applying for a position in the National Security Agency.

(3) A person assigned to a space where sensitive cryptographic information is produced, processed, or stored.

(4) A person employed by, or assigned or detailed to, an office within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs or a contractor of such an office.

(d) OVERSIGHT.—(1) The Secretary shall establish a process to monitor responsible and effective application of polygraphs within the Department of Defense.

(2) The Secretary shall make information on the use of polygraphs within the Department of Defense available to the congressional defense committees.

(e) POLYGRAPH RESEARCH PROGRAM.—The Secretary of Defense shall carry out a continuing research program to support the polygraph activities of the Department of Defense. The program shall include—

(1) an on-going evaluation of the validity of polygraph techniques used by the Department;

(2) research on polygraph countermeasures and anti-countermeasures; and

(3) developmental research on polygraph techniques, instrumentation, and analytic methods.

SUBCHAPTER II—INTELLIGENCE COMMERCIAL ACTIVITIES

* * * * * * *

§ 437. Congressional oversight

(a) * * *

(b) CURRENT INFORMATION.—Consistent with title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), the Secretary of Defense shall ensure that the intelligence committees are kept fully and currently informed of actions taken pursuant to this subchapter, including any significant anticipated activity to be authorized pursuant to this subchapter. **[**The Secretary shall promptly notify the appropriate committees of Congress whenever a corporation, partnership, or other legal entity is established pursuant to this subchapter.**]**

[(c) ANNUAL REPORT.—Not later each year than the date provided in section 507 of the National Security Act of 1947, the Secretary shall submit to the congressional intelligence committees (as defined in section 3 of that Act (50 U.S.C. 401a)) a report on all commercial activities authorized under this subchapter that were undertaken during the previous fiscal year. Such report shall include (with respect to the fiscal year covered by the report)—

[(1) a description of any exercise of the authority provided by section 433(b) of this title;

[(2) a description of any expenditure of funds made pursuant to this subchapter (whether from appropriated or non-appropriated funds); and

[(3) a description of any actions taken with respect to audits conducted pursuant to section 432 of this title to implement recommendations or correct deficiencies identified in such audits.**]**

* * * * * * *

[CHAPTER 22—NATIONAL IMAGERY AND MAPPING AGENCY]

CHAPTER 22—NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY

* * * * * * *

SUBCHAPTER I—MISSIONS AND AUTHORITY

* * * * * * *

§ 441. Establishment

(a) ESTABLISHMENT.—The **[**National Imagery and Mapping Agency**]** *National Geospatial-Intelligence Agency* is a combat support agency of the Department of Defense and has significant national missions.

(b) DIRECTOR.—(1) The Director of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* is the head of the agency.

* * * * * * *

§ 442. Missions

(a) NATIONAL SECURITY MISSIONS.—(1) The [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* shall, in support of the national security objectives of the United States, provide *geospatial intelligence consisting of* the following:

(A) * * *

* * * * * * *

(2) [Imagery, intelligence, and information] *Geospatial intelligence* provided in carrying out paragraph (1) shall be timely, relevant, and accurate.

* * * * * * *

(b) NAVIGATION INFORMATION.—The [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* shall improve means of navigating vessels of the Navy and the merchant marine by providing, under the authority of the Secretary of Defense, accurate and inexpensive nautical charts, sailing directions, books on navigation, and manuals of instructions for the use of all vessels of the United States and of navigators generally.

(c) MAPS, CHARTS, ETC.—The [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* shall prepare and distribute maps, charts, books, and geodetic products as authorized under subchapter II of this chapter.

(d) NATIONAL MISSIONS.—The [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* also has national missions as specified in [section 120(a) of the National Security Act of 1947] *section 110(a) of the National Security Act of 1947 (50 U.S.C. 404e(a))*.

(e) SYSTEMS.—The [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* may, in furtherance of a mission of the Agency, design, develop, deploy, operate, and maintain systems related to the processing and dissemination of imagery intelligence and geospatial information that may be transferred to, accepted or used by, or used on behalf of—

(1) * * *

* * * * * * *

§ 443. Imagery intelligence and geospatial information: support for foreign countries

(a) USE OF APPROPRIATED FUNDS.—The Director of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* may use appropriated funds available to the National Imagery and Mapping Agency to provide foreign countries with imagery intelligence and geospatial information support.

(b) USE OF FUNDS OTHER THAN APPROPRIATED FUNDS.—The Director may use funds other than appropriated funds to provide foreign countries with imagery intelligence and geospatial information support, notwithstanding provisions of law relating to the expenditure of funds of the United States, except that—

(1) no such funds may be expended, in whole or in part, by or for the benefit of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* for a purpose for which Congress had previously denied funds;

* * * * * * *

§ 444. Support from Central Intelligence Agency

(a) SUPPORT AUTHORIZED.—The Director of Central Intelligence may provide support in accordance with this section to the Director of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*. The Director of the National Imagery and Mapping Agency may accept support provided under this section.

(b) ADMINISTRATIVE AND CONTRACT SERVICES.—(1) In furtherance of the national intelligence effort, the Director of Central Intelligence may provide administrative and contract services to the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* as if that agency were an organizational element of the Central Intelligence Agency.

(2) Services provided under paragraph (1) may include the services of security police. For purposes of section 15 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403o), an installation of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* that is provided security police services under this section shall be considered an installation of the Central Intelligence Agency.

* * * * * * *

(c) DETAIL OF PERSONNEL.—The Director of Central Intelligence may detail personnel of the Central Intelligence Agency indefinitely to the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* without regard to any limitation on the duration of interagency details of Federal Government personnel.

* * * * * * *

(e) AUTHORITY TO TRANSFER FUNDS.—(1) The Director of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* may transfer funds available for that agency to the Director of Central Intelligence for the Central Intelligence Agency.

(2) The Director of Central Intelligence—

(A) * * *

(B) shall expend such funds, in accordance with the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.), to provide administrative and contract services or detail personnel to the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* under this section.

* * * * * * *

§ 453. Sale of maps, charts, and navigational publications: prices; use of proceeds

(a) * * *

(b) USE OF PROCEEDS TO PAY FOREIGN LICENSING FEES.—(1) The Secretary of Defense may pay any [NIMA] *NGA* foreign data

acquisition fee out of the proceeds of the sale of maps, charts, and other publications of the Agency, and those proceeds are hereby made available for that purpose.

(2) In this subsection, the term "[NIMA] *NGA* foreign data acquisition fee" means any licensing or other fee imposed by a foreign country or international organization for the acquisition or use of data or products by the [National Imagery and Mapping Agency] *National Geospacial Intelligence Agency*.

* * * * * * *

SUBCHAPTER IV—DEFINITIONS

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§ 467. Definitions

In this chapter:

(1) * * *

* * * * * * *

(5) The term "geospatial intelligence" means the exploitation and analysis of imagery and geospatial information to describe, assess, and visually depict physical features and geographically referenced activities on the earth. Geospatial intelligence consists of imagery, imagery intelligence, and geospatial information.

* * * * * * *

CHAPTER 23—MISCELLANEOUS STUDIES AND REPORTS

Sec.
480. Reports to Congress: submission in electronic form.
* * * * * * *
[484. Annual report on aircraft inventory.]

* * * * * * *

[§ 484. Annual report on aircraft inventory

[(a) ANNUAL REPORT.—The Under Secretary of Defense (Comptroller) shall submit to Congress each year a report on the aircraft in the inventory of the Department of Defense. The Under Secretary shall submit the report when the President submits the budget to Congress under section 1105(a) of title 31.

[(b) CONTENT.—The report shall set forth, in accordance with subsection (c), the following information:

[(1) The total number of aircraft in the inventory.

[(2) The total number of the aircraft in the inventory that are active, stated in the following categories (with appropriate subcategories for mission aircraft, training aircraft, dedicated test aircraft, and other aircraft):

[(A) Primary aircraft.

[(B) Backup aircraft.

[(C) Attrition and reconstitution reserve aircraft.

[(3) The total number of the aircraft in the inventory that are inactive, stated in the following categories:

[(A) Bailment aircraft.

[(B) Drone aircraft.

[(C) Aircraft for sale or other transfer to foreign governments.

[(D) Leased or loaned aircraft.

[(E) Aircraft for maintenance training.

[(F) Aircraft for reclamation.

[(G) Aircraft in storage.

[(4) The aircraft inventory requirements approved by the Joint Chiefs of Staff.

[(c) DISPLAY OF INFORMATION.—The report shall specify the information required by subsection (b) separately for the active component of each armed force and for each reserve component of each armed force and, within the information set forth for each such component, shall specify the information separately for each type, model, and series of aircraft provided for in the future-years defense program submitted to Congress.]

* * * * * * *

§ 487. Unit operations tempo and personnel tempo: annual report

(a) * * *

(b) SPECIFIC REQUIREMENTS.—(1) * * *

* * * * * * *

[(5) For each of the armed forces, the description shall indicate the average number of days a member of that armed force was deployed away from the member's home station during the period covered by the report as compared to recent previous years for which such information is available.]

(5) For each of the armed forces, the description shall indicate, for the period covered by the report—

(A) the number of members who received the high-deployment allowance under section 436 of title 37;

(B) the number of members who received each rate of allowance paid;

(C) the number of members who received the allowance for one month, for two months, for three months, for four months, for five months, for six months, and for more than six months; and

(D) the total amount spent on the allowance.

* * * * * * *

PART II—PERSONNEL

* * * * * * *

CHAPTER 31—ENLISTMENTS

Sec.
501. Definition.

* * * * * * *

[520c. Recruiting functions: use of funds.]
520c. Recruiting functions: provision of meals and refreshments.

* * * * * * *

§ 503. Enlistments: recruiting campaigns; compilation of directory information

(a) * * *

* * * * * * *

(c) ACCESS TO SECONDARY SCHOOLS.—(1) * * *

* * * * * * *

(5) The requirements of this subsection do not [apply to—

[(A) a local educational agency with respect to access to secondary school students or access to directory information concerning such students for any period during which there is in effect a policy of that agency, established by majority vote of the governing body of the agency, to deny recruiting access to those students or to that directory information, respectively; or

[(B) a private secondary school which] *apply to a private secondary school that* maintains a religious objection to service in the armed forces and which objection is verifiable through the corporate or other organizational documents or materials of that school.

(6) In this subsection:

(A) The term "local educational agency" means—

(i) a local educational agency, within the meaning of that term in section [14101] *9101* of the Elementary and Secondary Education Act of 1965 (20 U.S.C. [8801] *7801*); and

* * * * * * *

[§ 520c. Recruiting functions: use of funds]

§ 520c. Recruiting functions: provision of meals and refreshments

[(a) PROVISION OF MEALS AND REFRESHMENTS.—]Under regulations prescribed by the Secretary concerned, funds appropriated to the Department of Defense for recruitment of military personnel may be expended for small meals and refreshments during recruiting functions for the following persons:

(1) Persons who have enlisted under the Delayed Entry Program authorized by section 513 of this title.

(2) Persons who are objects of armed forces recruiting efforts.

(3) Persons whose assistance in recruiting efforts of the military departments is determined to be influential by the Secretary concerned.

(4) Members of the armed forces and Federal employees when attending recruiting functions in accordance with a requirement to do so.

(5) Other persons whose presence at recruiting functions will contribute to recruiting efforts.

[(b) ANNUAL REPORT.—Not later than February 1 of each of the years 1998 through 2002, the Secretary of Defense shall submit to Congress a report on the extent to which the authority under

subsection (a) was exercised during the fiscal year ending in the preceding year.]

* * * * * * *

CHAPTER 36—PROMOTION, SEPARATION, AND INVOLUNTARY RETIREMENT OF OFFICERS ON THE ACTIVE-DUTY LIST

* * * * * * *

SUBCHAPTER III—FAILURE OF SELECTION FOR PROMOTION AND RETIREMENT FOR YEARS OF SERVICE

* * * * * * *

§ 630. Discharge of commissioned officers with less than five years of active commissioned service or found not qualified for promotion for first lieutenant or lieutenant (junior grade)

The Secretary of the military department concerned, under regulations prescribed by the Secretary of Defense—

(1) * * *

(2) shall, unless the officer has been promoted, discharge any officer described in [clause] *paragraph* (1)(B) at the end of the 18-month period beginning on the date on which the officer is first found not qualified for promotion.

* * * * * * *

§ 631. Effect of failure of selection for promotion: first lieutenants and lieutenants (junior grade)

(a) Except an officer of the Navy and Marine Corps who is an officer designated for limited duty (to whom section 5596(e) or 6383 of this title applies), each officer of the Army, Air Force, or Marine Corps on the active-duty list who holds the grade of first lieutenant and has failed of selection for promotion to the grade of captain for the second time, and each officer of the Navy on the active-duty list who holds the grade of lieutenant (junior grade) and has failed of selection for promotion to the grade of lieutenant for the second time, whose name is not on a list of officers recommended for promotion to the next higher grade shall—

(1) * * *

* * * * * * *

(3) if on the date on which he is to be discharged under [clause] *paragraph* (1) he is within two years of qualifying for retirement under section 3911, 6323, or 8911 of this title, be retained on active duty until he is qualified for retirement and then be retired under that section, unless he is sooner retired or discharged under another provision of law.

* * * * * * *

§ 632. Effect of failure of selection for promotion: captains and majors of the Army, Air Force, and Marine Corps and lieutenants and lieutenant commanders of the Navy

(a) Except an officer of the Navy and Marine Corps who is an officer designated for limited duty (to whom section 5596(e) or 6383 of this title applies) and except as provided under section 637(a) of this title, each officer of the Army, Air Force, or Marine Corps on the active-duty list who holds the grade of captain or major, and each officer of the Navy on the active-duty list who holds the grade of lieutenant or lieutenant commander, who has failed of selection for promotion to the next higher grade for the second time and whose name is not on a list of officers recommended for promotion to the next higher grade shall—

(1) *except as provided in paragraph (3) and in subsection (c),* be discharged on the date requested by him and approved by the Secretary concerned, which date shall be not later than the first day of the seventh calendar month beginning after the month in which the President approves the report of the board which considered him for the second time;

* * * * * * *

(3) if on the date on which he is to be discharged under [clause] *paragraph* (1) he is within two years of qualifying for retirement under section 3911, 6323, or 8911 of this title, be retained on active duty until he is qualified for retirement and then retired under that section, unless he is sooner retired or discharged under another provision of law.

* * * * * * *

(c)(1) If a health professions officer described in paragraph (2) is subject to discharge under subsection (a)(1) and, as of the date on which the officer is to be discharged under that paragraph, the officer has not completed a period of active duty service obligation that the officer incurred under section 2005, 2114, 2123, or 2603 of this title, the officer shall be retained on active duty until completion of such active duty service obligation, and then be discharged under that subsection, unless sooner retired or discharged under another provision of law.

(2) The Secretary concerned may waive the applicability of paragraph (1) to any officer if the Secretary determines that completion of the active duty service obligation of that officer is not in the best interest of the service.

(3) This subsection applies to a medical officer or dental officer or an officer appointed in a medical skill other than as a medical officer or dental officer (as defined in regulations prescribed by the Secretary of Defense).

* * * * * * *

CHAPTER 39—ACTIVE DUTY

* * * * * * *

§ 691. Permanent end strength levels to support two major regional contingencies

(a) * * *

(b) Unless otherwise provided by law, the number of members of the armed forces (other than the Coast Guard) on active duty at the end of any fiscal year shall be not less than the following:

(1) For the Army, [480,000] *482,375*.

* * * * * * *

(4) For the Air Force, [359,000] *361,268*.

* * * * * * *

CHAPTER 40—LEAVE

Sec.
701. Entitlement and accumulation.

* * * * * * *

[705. Rest and recuperation absence: qualified enlisted members extending duty at designated locations overseas.]
705. Rest and recuperative absence for qualified members extending duty at designated locations overseas.

* * * * * * *

§ 701. Entitlement and accumulation

(a) * * *

* * * * * * *

[(f)(1) Under uniform regulations to be prescribed by the Secretary concerned, and approved by the Secretary of Defense, a member who serves on active duty for a continuous period of at least 120 days in an area in which he is entitled to special pay under section 310(a) of title 37 or a member assigned to a deployable ship, mobile unit, or to other duty designated for the purpose of this section, may accumulate 90 days' leave. Except as provided in paragraph (2), leave in excess of 60 days accumulated under this subsection is lost unless it is used by the member before the end of the third fiscal year after the fiscal year in which the service terminated.]

(f)(1)(A) The Secretary concerned, under uniform regulations to be prescribed by the Secretary of Defense, may authorize a member described in subparagraph (B) who, except for this paragraph, would lose any accumulated leave in excess of 60 days at the end of the fiscal year, to retain an accumulated total of 120 days leave.

(B) This subsection applies to a member who serves on active duty for a continuous period of at least 120 days—

(i) in an area in which the member is entitled to special pay under section 310(a) of title 37; or

(ii) while assigned to a deployable ship or mobile unit or to other duty comparable to that specified in clause (i) that is designated for the purpose of this subsection.

(C) Except as provided in paragraph (2), Leave in excess of 60 days accumulated under this paragraph is lost unless it is used by the member before the end of the third fiscal year after the fiscal year in which the continuous period of service referred to in subparagraph (B) terminated.

* * * * * * *

[§ 705. Rest and recuperation absence: qualified enlisted members extending duty at designated locations overseas]

§ 705. Rest and recuperation absence: qualified members extending duty at designated locations overseas

(a) Under regulations prescribed by the Secretary concerned, [an enlisted member] *a member* of an armed force who—

(1) * * *

* * * * * * *

CHAPTER 47—UNIFORM CODE OF MILITARY JUSTICE

* * * * * * *

SUBCHAPTER X—PUNITIVE ARTICLES

* * * * * * *

§ 911. Art. 111. Drunken or reckless operation of a vehicle, aircraft, or vessel

(a) Any person subject to this chapter who—

(1) * * *

(2) operates or is in actual physical control of any vehicle, aircraft, or vessel while drunk or when the alcohol concentration in the person's blood or breath is [in excess of] *at, or in excess of,* the applicable limit under subsection (b),

shall be punished as a court-martial may direct.

(b)(1) * * *

* * * * * * *

(4) In this subsection:

(A) The term "blood alcohol content limit" means the [maximum permissible alcohol concentration in a person's blood or breath for purposes of operation or control of a vehicle, aircraft, or vessel.] *amount of alcohol concentration in a person's blood or breath at which operation or control of a vehicle, aircraft, or vessel is prohibited.*

* * * * * * *

CHAPTER 49—MISCELLANEOUS PROHIBITIONS AND PENALTIES

* * * * * * *

§ 973. Duties: officers on active duty; performance of civil functions restricted

(a) * * *

(b)(1) * * *

* * * * * * *

(3)*(A)* Except as otherwise authorized by law, an officer to whom this subsection applies may not hold or exercise, by election or appointment, the functions of a civil office in the government of a State, the District of Columbia, or a territory, possession, or commonwealth of the United States (or of any political subdivision of any such government).

(B) The prohibition in subparagraph (A) does not apply to the functions of a civil office held by election, in the case of an officer to whom this subsection applies by reason of subparagraph (B) or (C) of paragraph (1).

* * * * * * *

§ 983. Institutions of higher education that prevent ROTC access or military recruiting on campus: denial of grants and contracts from Department of Defense, Department of Education, and certain other departments and agencies

(a) * * *

* * * * * * *

(e) NOTICE OF DETERMINATIONS.—Whenever the Secretary of Defense makes a determination under subsection (a), (b), or (c), the Secretary—

(1) shall transmit a notice of the determination to the Secretary of Education [and to Congress]; and

* * * * * * *

CHAPTER 50—MISCELLANEOUS COMMAND RESPONSIBILITIES

Sec.
991. Management of deployments of members.
992. Requirement of exemplary conduct: commanding officers and others in authority.

* * * * * * *

§ 991. Management of deployments of members

[(a) GENERAL OR FLAG OFFICER RESPONSIBILITIES.—(1) The deployment (or potential deployment) of a member of the armed forces shall be managed, during any period when the member is a high-deployment days member, by the officer in the chain of command of that member who is the lowest-ranking general or flag officer in that chain of command. That officer shall ensure that the member is not deployed, or continued in a deployment, on any day on which the total number of days on which the member has been deployed out of the preceding 365 days would exceed 220. However, the member may be deployed, or continued in a deployment, without regard to the preceding sentence if such deployment, or continued deployment, is approved—

[(A) in the case of a member who is assigned to a combatant command in a position under the operational control of the officer in that combatant command who is the service component commander for the members of that member's armed force in that combatant command, by that officer; and

[(B) in the case of a member not assigned as described in subparagraph (A), by the service chief of that member's armed force (or, if so designated by that service chief, by an officer of the same armed force on active duty who is in the grade of general or admiral or who is the personnel chief for that armed force).

[(2) In this section, the term "high-deployment days member" means a member who has been deployed 182 days or more out of the preceding 365 days.

[(3) In paragraph (1)(B), the term "service chief" means the Chief of Staff of the Army, the Chief of Naval Operations, the Chief of Staff of the Air Force, or the Commandant of the Marine Corps.]

(a) SERVICE AND GENERAL OR FLAG OFFICER RESPONSIBILITIES.—(1) Subject to paragraph (3), the deployment (or potential deployment) of members of the armed forces shall be managed to ensure that a member is not deployed, or continued in a deployment, on any day on which the total number of days on which the member has been deployed out of the preceding 730 days would exceed the high-deployment threshold.

(2) In this subsection, the term "high-deployment threshold" means—

(A) 400 days; or

(B) a lower number of days prescribed by the Secretary of Defense.

(3) A member may be deployed, or continued in a deployment, without regard to paragraph (1) if the deployment, or continued deployment, is approved by the Secretary of Defense. The authority of the Secretary under the preceding sentence may only be delegated to—

(A) a civilian officer of the Department of Defense appointed by the President, by and with the advise and consent of the Senate, or a member of the Senior Executive Service; or

(B) a general or flag officer in that member's chain of command (including an officer in the grade of colonel, or in the case of the Navy, captain, serving an in a general or flag officer position who has been selected for promotion to the grade of brigadier general or rear admiral (lower half)).

* * * * * * *

§ 992. Requirement of exemplary conduct: commanding officers and others in authority

All commanding officers and others in authority in the Department of Defense are required—

(1) to show in themselves a good example of virtue, honor, patriotism, and subordination;

(2) to be vigilant in inspecting the conduct of all persons who are placed under their command or charge;

(3) to guard against and to suppress all dissolute and immoral practices and to correct, according to applicable laws and regulations, all persons who are guilty of them; and

(4) to take all necessary and proper measures, under the laws, regulations, and customs applicable to the armed forces, to promote and safeguard the morale, the physical well-being, and the general welfare of all under their command or charge.

* * * * * * *

CHAPTER 53—MISCELLANEOUS RIGHTS AND BENEFITS

Sec.
1031. Administration of oath.

* * * * * * *

[1051a. Coalition liaison officers: administrative services and support; travel, subsistence, and other personal expenses.]
1051a. Foreign officers: administrative services and support; travel, subsistence, and other personal expenses.
1051b. Bilateral or regional cooperation programs: awards and mementos to recognize superior noncombat achievements or performance.

* * * * * * *

[§ 1051a. Coalition liaison officers: administrative services and support; travel, subsistence, and other personal expenses]

§ 1051a. Foreign officers: administrative services and support; travel, subsistence, and other personal expenses

(a) [AUTHORITY] *ADMINISTRATIVE SERVICES AND SUPPORT.*—The Secretary of Defense may provide administrative services and support for the performance of duties by a liaison officer of another nation [involved in a coalition with the United States] while the liaison officer is assigned [temporarily] to the headquarters of a combatant command, component command, or subordinate operational command of the United States [in connection with the planning for, or conduct of, a coalition operation].

(b) TRAVEL AND SUBSISTENCE EXPENSES.—[(1)] The Secretary may pay the [expenses specified in paragraph (2)] *travel, subsistence, and similar personal expenses* of a liaison officer of a developing [country in connection with the assignment of that officer to the headquarters of a combatant command as described in subsection (a)] *nation involved in a coalition while the liaison officer is assigned temporarily to a headquarters described in subsection (a) in connection with the planning for, or conduct of, a coalition operation*, if the assignment is requested by the commander of the combatant command.

[(2) Expenses of a liaison officer that may be paid under paragraph (1) in connection with an assignment described in that paragraph are the following:

[(A) Travel and subsistence expenses.

[(B) Personal expenses directly necessary to carry out the duties of that officer in connection with that assignment.]

(c) REIMBURSEMENT.—To the extent that the Secretary determines appropriate, the Secretary may provide the services and support authorized [by] *under* subsection (a) and the expenses authorized by subsection (b) with or without reimbursement from (or on behalf of) the recipients.

* * * * * * *

§ 1051b. Bilateral or regional cooperation programs: awards and mementos funds to recognize superior noncombat achievements or performance

(a) GENERAL AUTHORITY.—The Secretary of Defense may present awards and mementos purchased with funds appropriated for operation and maintenance of the armed forces to recognize superior noncombat achievements or performance by members of friendly foreign forces and other foreign nationals that significantly enhance or support the National Security Strategy of the United States.

(b) ACTIVITIES THAT MAY BE RECOGNIZED.—Activities that may be recognized under subsection (a) include superior achievement or performance that—

(1) plays a crucial role in shaping the international security environment in ways that protect and promote United States interests;

(2) supports or enhances United States overseas presence and peacetime engagement activities, including defense cooperation initiatives, security assistance training and programs, and training and exercises with the armed forces;

(3) helps to deter aggression and coercion, build coalitions, and promote regional stability; or

(4) serves as a role model for appropriate conduct by military forces in emerging democracies.

(c) LIMITATION.—Expenditures for the purchase or production of mementos for award under this section may not exceed the "minimal value" established in accordance with section 7342(a)(5) of title 5.

* * * * * * *

§ 1059. Dependents of members separated for dependent abuse: transitional compensation; commissary and exchange benefits

(a) * * *

(b) PUNITIVE AND OTHER ADVERSE ACTIONS COVERED.—This section applies in the case of a member of the armed forces on active duty for a period of more than 30 days—

(1) * * *

(2) who is administratively separated*, voluntarily or involuntarily,* from active duty in accordance with applicable regulations if the basis for the separation includes a dependent-abuse offense.

* * * * * * *

(e) COMMENCEMENT AND DURATION OF PAYMENT.—(1) Payment of transitional compensation under this section—

(A) in the case of a member convicted by a court-martial for a dependent-abuse offense, [shall commence as of the date of the approval of the court-martial sentence by the person acting under section 860(c) of this title (article 60(c) of the Uniform Code of Military Justice) if the sentence, as approved, includes a dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances; and] *shall commence—*

(i) as of the date the court martial sentence is adjudged if the sentence, as adjudged, includes a dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances; or

(ii) if there is a pretrial agreement that includes disapproval or suspension of the dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances, as of the date of the approval of the court-martial sentence by the person acting under section 860(c) of this title (article 60(c) of the Uniform Code of Military Justice) if the sentence, as approved, includes an unsuspended

dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances;

* * * * * * *

(2) Transitional compensation with respect to a member shall be paid for a period of 36 months[, except that, if as of the date on which payment of transitional compensation commences the unserved portion of the member's period of obligated active duty service is less than 36 months, the period for which transitional compensation is paid shall be equal to the greater of—

[(A) the unserved portion of the member's period of obligated active duty service; or

[(B) 12 months].

(3)(A) If a member is sentenced by a court-martial to receive punishment that includes a dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances as a result of a conviction by a court-martial for a dependent-abuse offense and each such [punishment applicable to the member under the sentence is remitted, set aside, or mitigated] *conviction is disapproved by the person acting under section 860(c) of this title (article 60(c) of the Uniform Code of Military Justice) or set aside, or each such punishment applicable to the member under the sentence is disapproved by the person acting under section 860(c) of this title, remitted, set aside, suspended, or mitigated* to a lesser punishment that does not include any such punishment, any payment of transitional compensation that has commenced under this section on the basis of such sentence in that case shall cease.

* * * * * * *

(m) ADDITIONAL ELIGIBILITY.—The Secretary concerned, under regulations prescribed under subsection (k), may authorize eligibility for benefits under this section to dependents of a member or former member of the armed forces not covered by subsection (b) if the Secretary concerned determines that there are extenuating circumstances such that granting benefits under this section is consistent with the intent of this section.

§ 1060. Military service of retired members with newly democratic nations: consent of Congress

(a) * * *

* * * * * * *

[(d) REPORTS TO CONGRESSIONAL COMMITTEES.—The Secretary concerned and the Secretary of State shall notify the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on Armed Services and the Committee on International Relations of the House of Representatives of each approval under subsection (b) and each determination under subsection (c).]

* * * * * * *

CHAPTER 54—COMMISSARY AND EXCHANGE BENEFITS

Sec.
1061. Survivors of certain Reserve and Guard members.

* * * * * * *

[1063. Use of commissary stores: members of Ready Reserve.

[1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster or national emergency.
[1064. Use of commissary stores: persons qualified for retired pay under chapter 1223 but under age 60.
[1065. Morale, welfare, and recreation retail facilities: use by members of reserve components and dependents.]
1063. Use of commissary stores and MWR retail facilities: members of reserve components and reserve retirees under age 60.
1064. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster or national emergency.

* * * * * * *

[§ 1063. Use of commissary stores: members of Ready Reserve

[(a) ELIGIBILITY OF MEMBERS WITH 50 OR MORE CREDITABLE POINTS.—A member of the Ready Reserve who satisfactorily completes 50 or more points creditable under section 12732(a)(2) of this title in a calendar year shall be eligible to use commissary stores of the Department of Defense. The Secretary concerned shall authorize the member to have 24 days of eligibility for any calendar year that the member qualifies for eligibility under this subsection.

[(b) ELIGIBILITY OF NEW MEMBERS.—(1) The Secretary concerned shall authorize a new member of the Ready Reserve to use commissary stores of the Department of Defense for a number of days accruing at the rate of two days for each month in which the member participates satisfactorily in training required under section 10147(a)(1) of this title or section 502(a) of title 32, as the case may be.

[(2) For the purposes of paragraph (1), a person shall be considered a new member of the Ready Reserve upon becoming a member and continuing without a break in the membership until the earlier of—

[(A) the date on which the member becomes eligible to use commissary stores under subsection (a); or

[(B) December 31 of the first calendar year in which the membership has been continuous for the entire year.

[(3) A new member may not be authorized under this subsection to use commissary stores for more than 24 days for any calendar year.

[(c) EFFECT OF COMPENSATION OR TYPE OF DUTY.—Subsections (a) and (b) shall apply without regard to whether, during the calendar year, the member receives compensation for the duty or training performed by the member or performs active duty for training.

[(d) REGULATIONS.—The Secretary concerned shall prescribe regulations, subject to the approval of the Secretary of Defense, to carry out this section. The regulations shall specify the required documentation of satisfactory participation in training for the purposes of subsection (b).

[§ 1064. Use of commissary stores: persons qualified for retired pay under chapter 1223 but under age 60

[Under regulations prescribed by the Secretary of Defense, a person who would be eligible for retired pay under chapter 1223 of this title but for the fact that the person is under 60 years of age

shall be authorized to use commissary stores of the Department of Defense for 24 days each calendar year.]

[§ 1065. Morale, welfare, and recreation retail facilities: use by members of reserve components and dependents]

§ 1063. Use of commissary stores and MWR retail facilities: members of reserve components and reserve retirees under age 60

(a) MEMBERS OF THE SELECTED RESERVE.—A member of the Selected Reserve in good standing (as determined by the Secretary concerned) shall be permitted to use *commissary stores and* MWR retail facilities on the same basis as members on active duty.

(b) MEMBERS OF READY RESERVE NOT IN SELECTED RESERVE.—Subject to such regulations as the Secretary of Defense may prescribe, a member of the Ready Reserve (other than members of the Selected Reserve) may be permitted to use *commissary stores and* MWR retail facilities on the same basis as members serving on active duty.

(c) RESERVE RETIREES UNDER AGE 60.—A member or former member of a reserve component under 60 years of age who, but for age, would be eligible for retired pay under chapter 1223 of this title shall be permitted to use *commissary stores and* MWR retail facilities on the same basis as members of the armed forces entitled to retired pay under any other provision of law.

(d) DEPENDENTS.—(1) Dependents of a member who is permitted under subsection (a) or (b) to use *commissary stores and* MWR retail facilities shall be permitted to use *stores and* such facilities on the same basis as dependents of members on active duty.

(2) Dependents of a member who is permitted under subsection (c) to use *commissary stores and* MWR retail facilities shall be permitted to use *stores and* such facilities on the same basis as dependents of members of the armed forces entitled to retired pay under any other provision of law.

[§ 1063a.] *§ 1064.* Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster or national emergency

(a) * * *

* * * * * * *

(c) DEFINITIONS.—In this section:

(1) * * *

(2) MWR RETAIL FACILITIES.—The term "MWR retail facilities" has the meaning given that term in [section 1065(e)] *section 1063(e)* of this title.

* * * * * * *

CHAPTER 55—MEDICAL AND DENTAL CARE

* * * * * * *

§ 1074a. Medical and dental care: members on duty other than active duty for a period of more than 30 days

(a) * * *

* * * * * * *

(f)(1) The Department of Defense may provide medical and dental screening and care to members of the Selected Reserve who are assigned to a unit that has been alerted that the unit will be mobilized for active duty in support of an operational mission or contingency operation, during a national emergency, or in a time of war.

(2) The medical and dental screening and care that may be provided under this subsection is screening and care necessary to ensure that a member meets the medical and dental standards for required deployment.

(3) The services provided under this subsection shall be provided to a member at no cost to the member and at any time after the unit to which the member is assigned is alerted or otherwise notified that the unit will be mobilized.

* * * * * * *

§ 1074g. Pharmacy benefits program

(a) * * *

(b) ESTABLISHMENT OF COMMITTEE.—(1) The Secretary of Defense shall, in consultation with the Secretaries of the military departments, establish a Pharmacy and Therapeutics Committee for the purpose of developing the uniform formulary of pharmaceutical agents required by subsection (a), reviewing such formulary on a periodic basis, and making additional recommendations regarding the formulary as the committee determines necessary and appropriate. The committee shall include representatives of pharmacies of the uniformed services **[**facilities, contractors responsible for the TRICARE retail pharmacy program, contractors responsible for the national mail-order pharmacy program, providers in facilities of the uniformed services, and TRICARE network providers.**]** *facilities and representatives of providers in facilities of the uniformed services.* Committee members shall have expertise in treating the medical needs of the populations served through such entities and in the range of pharmaceutical and biological medicines available for treating such populations. The committee shall function under procedures established by the Secretary under the regulations prescribed under subsection (g).

* * * * * * *

(c) ADVISORY PANEL.—(1) * * *

(2) The Secretary shall determine the size and membership of the panel established under paragraph (1), which shall include members that **[**represent nongovernmental**]** *represent—*

(A) nongovernmental organizations and associations that represent the views and interests of a large number of eligible covered beneficiaries**[**.**]***;*

(B) contractors responsible for the TRICARE retail pharmacy program;

(C) contractors responsible for the national mail-order pharmacy program; and

(D) TRICARE network providers.

* * * * * * *

§ 1091. Personal services contracts

(a) AUTHORITY.—(1) * * *

(2) The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, may also enter into personal services contracts to carry out other health care responsibilities of the Secretary (such as the provision of medical screening examinations at Military Entrance Processing Stations) at locations outside medical treatment facilities, as determined necessary pursuant to regulations prescribed by the Secretary. [The Secretary may not enter into a contract under this paragraph after December 31, 2003.]

* * * * * * *

§ 1107. Notice of use of an investigational new drug or a drug unapproved for its applied use

(a) * * *

* * * * * * *

(f) LIMITATION AND WAIVER.—(1) * * *

* * * * * * *

(4) In this subsection:

(A) * * *

* * * * * * *

[(C) The term "congressional defense committee" means each of the following:

[(i) The Committee on Armed Services and the Committee on Appropriations of the Senate.

[(ii) The Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

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CHAPTER 56—DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE RETIREE HEALTH CARE FUND

* * * * * * *

§ 1115. Determination of contributions to the Fund

(a) * * *

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(c)(1) Not less often than every four years, the Secretary of Defense shall carry out an actuarial valuation of the Fund. Each such actuarial valuation shall include—

(A) * * *

* * * * * * *

Such single level dollar amounts shall be used for the purposes of subsection (b) and section 1116(a) of this title. *In determining single level dollar amounts under subparagraphs (A) and (B) of this paragraph, the Secretary of Defense may determine a separate single level dollar amount under either or both subparagraphs for any*

participating uniformed service, if, in the judgment of the Secretary, such a determination would produce a more accurate and appropriate actuarial valuation for that uniformed service.

* * * * * * *

CHAPTER 57—DECORATIONS AND AWARDS

* * * * * * *

§ 1130. Consideration of proposals for decorations not previously submitted in timely fashion: procedures for review and recommendation

(a) Upon request of a Member of Congress, the Secretary concerned shall review a proposal for the award or presentation of a decoration (or the upgrading of a decoration), either for an individual or a unit, that is not otherwise authorized to be presented or awarded due to limitations established by law or policy for timely submission of a recommendation for such award or presentation. Based upon such review, the Secretary shall make a determination as to the merits of approving the award or presentation of the decoration and [the other determinations necessary to comply with subsection (b)] *respond with a detailed description of the rationale supporting the determination*.

[(b) Upon making a determination under subsection (a) as to the merits of approving the award or presentation of the decoration, the Secretary concerned shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives and to the requesting member of Congress notice in writing of one of the following:

[(1) The award or presentation of the decoration does not warrant approval on the merits.

[(2) The award or presentation of the decoration warrants approval and a waiver by law of time restrictions prescribed by law is recommended.

[(3) The award or presentation of the decoration warrants approval on the merits and has been approved as an exception to policy.

[(4) The award or presentation of the decoration warrants approval on the merits, but a waiver of the time restrictions prescribed by law or policy is not recommended.

A notice under paragraph (1) or (4) shall be accompanied by a statement of the reasons for the decision of the Secretary.]

* * * * * * *

CHAPTER 69—RETIRED GRADE

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§ 1370. Commissioned officers: general rule; exceptions

(a) RULE FOR RETIREMENT IN HIGHEST GRADE HELD SATISFACTORILY.—(1) Unless entitled to a higher retired grade under some other provision of law, a commissioned officer (other than a commissioned warrant officer) of the Army, Navy, Air Force, or Marine Corps who retires under any provision of law other than chapter 61 or chapter 1223 of this title shall, [except as provided in para-

graph (2)] *subject to paragraphs (2) and (3)*, be retired in the highest grade in which he served on active duty satisfactorily, as determined by the Secretary of the military department concerned[, for not less than six months].

[(2)(A) In order to be eligible for voluntary retirement under any provision of this title in a grade above major or lieutenant commander, a commissioned officer of the Army, Navy, Air Force, or Marine Corps must have served on active duty in that grade for not less than three years, except that the Secretary of Defense may authorize the Secretary of a military department to reduce such period to a period not less than two years in the case of retirements effective during the period beginning on October 1, 2002, and ending on December 31, 2003.

[(B) In the case of an officer to be retired in a general or flag officer grade, authority provided by the Secretary of Defense to the Secretary of a military department under subparagraph (A) may be exercised with respect to that officer only if approved by the Secretary of Defense or another civilian official in the Office of the Secretary of Defense appointed by the President, by and with the advice and consent of the Senate.

[(C) Authority provided by the Secretary of Defense to the Secretary of a military department under subparagraph (A) may be delegated within that military department only to a civilian official of that military department appointed by the President, by and with the advice and consent of the Senate.

[(D) The President may waive subparagraph (A) in individual cases involving extreme hardship or exceptional or unusual circumstances. The authority of the President under the preceding sentence may not be delegated.

[(E) In the case of a grade below the grade of lieutenant general or vice admiral, the number of members of one of the armed forces in that grade for whom a reduction is made during any fiscal year in the period of service-in-grade otherwise required under this paragraph may not exceed the number equal to two percent of the authorized active-duty strength for that fiscal year for officers of that armed force in that grade.]

(2) In order to be eligible for voluntary retirement under this title in a grade below the grade of lieutenant colonel or commander, a commissioned officer of the Army, Navy, Air Force, or Marine Corps covered by paragraph (1) must have served on active duty in that grade for not less than six months.

(3)(A) In order to be eligible for voluntary retirement in a grade above major or lieutenant commander and below brigadier general or rear admiral (lower half), a commissioned officer of the Army, Navy, Air Force, or Marine Corps covered by paragraph (1) must have served on active duty in that grade for not less than three years, except that the Secretary of Defense may authorize the Secretary of the military department concerned to reduce such period to a period not less than two years.

(B) In order to be eligible for voluntary retirement in a grade above colonel or captain, in the case of the Navy, a commissioned officer of the Army, Navy, Air Force, or Marine Corps covered by paragraph (1) must have served on active duty in that grade for not less than one year.

(C) An officer in a grade above major general or rear admiral may be retired in the highest grade in which the officer served on active duty satisfactorily for not less than one year, upon approval by the Secretary of the military department concerned and concurrence by the Secretary of Defense. The function of the Secretary of Defense under the preceding sentence may only be delegated to a civilian official in the Office of the Secretary of Defense appointed by the President, by and with the advice and consent of the Senate.

(D) The President may waive subparagraph (A), (B) or (C) in individual cases involving extreme hardship or exceptional or unusual circumstances. The authority of the President under the preceding sentence may not be delegated.

[(3)**]** *(4)* A reserve or temporary officer who is notified that he will be released from active duty without his consent and thereafter requests retirement under section 3911, 6323, or 8911 of this title and is retired pursuant to that request is considered for purposes of this section, to have been retired involuntarily. An officer retired pursuant to section 1186(b)(1) of this title is considered for purposes of this section to have been retired voluntarily.

(b) RETIREMENT IN NEXT LOWER GRADE.—An officer whose length of service in the highest grade he held while on active duty does not meet the service in grade requirements specified in subsection (a) *or whose service on active duty in that grade was not determined to be satisfactory by the Secretary of the military department concerned* shall be retired in the next lower grade in which he served on active duty satisfactorily, as determined by the Secretary of the military department concerned, for not less than six months.

[(c) OFFICERS IN O–9 AND O–10 GRADES.—(1) An officer who is serving in or has served in the grade of general or admiral or lieutenant general or vice admiral may be retired in that grade under subsection (a) only after the Secretary of Defense certifies in writing to the President and Congress that the officer served on active duty satisfactorily in that grade.

[(2) In the case of an officer covered by paragraph (1), the three-year service-in-grade requirement in paragraph (2)(A) of subsection (a) may not be reduced or waived under that subsection—

[(A) while the officer is under investigation for alleged misconduct; or

[(B) while there is pending the disposition of an adverse personnel action against the officer for alleged misconduct.

[(3)(A) The Secretary of Defense may delegate authority to make a certification with respect to an officer under paragraph (1) only to the Under Secretary of Defense for Personnel and Readiness or the Deputy Under Secretary of Defense for Personnel and Readiness.

[(B) If authority is delegated under subparagraph (A) and, in the course of consideration of an officer for a certification under paragraph (1), the Under Secretary or (if such authority is delegated to both the Under and Deputy Under Secretary) the Deputy Under Secretary makes a determination described in subparagraph (C) with respect to that officer, the Under Secretary or Deputy Under Secretary, as the case may be, may not exercise the delegated authority in that case, but shall refer the matter to the Sec-

retary of Defense, who shall personally determine whether to issue a certification under paragraph (1) with respect to that officer.

[(C) A determination referred to in subparagraph (B) is a determination that there is potentially adverse information concerning an officer and that such information has not previously been submitted to the Senate in connection with the consideration by the Senate of a nomination of that officer for an appointment for which the advice and consent of the Senate is required.]

[(d)] *(c)* RESERVE OFFICERS.—(1) * * *

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(3)(A)*(i)* In order to be credited with satisfactory service in an officer grade above major or lieutenant commander *and below brigadier general or rear admiral (lower half)*, a person covered by paragraph (1) must have served satisfactorily in that grade (as determined by the Secretary of the military department concerned) as a reserve commissioned officer in an active status, or in a retired status on active duty, for not less than three years*, except that the Secretary of Defense may authorize the Secretary of the military department concerned to reduce such period to a period not less than two years*.

(ii) In order to be credited with satisfactory service in a grade above colonel or captain, in the case of the Navy, a person covered by paragraph (1) must have served satisfactorily in that grade (as determined by the Secretary of the military department concerned) as a reserve commissioned officer in active status, or in a retired status on active duty, for not less than one year.

(iii) An officer covered by paragraph (1) who is in a grade above the grade of major general or rear admiral may be retired in the highest grade in which the officer served satisfactorily for not less than one year, upon approval by the Secretary of the military department concerned and concurrence by the Secretary of Defense. The function of the Secretary of Defense under the preceding sentence may only be delegated to a civilian official in the Office of the Secretary of Defense appointed by the president, by and with the advice and consent of the Senate.

* * * * * * *

(D) To the extent authorized by the Secretary of the military department concerned, a person who, after having been recommended for promotion in a report of a promotion board but before being promoted to the recommended grade, served in a position for which that grade is the minimum authorized grade may be credited for purposes of subparagraph (A)*(i)* as having served in that grade for the period for which the person served in that position while in the next lower grade. The period credited may not include any period before the date on which the Senate provides advice and consent for the appointment of that person in the recommended grade.

(E) To the extent authorized by the Secretary of the military department concerned, a person who, after having been found qualified for Federal recognition in a higher grade by a board under section 307 of title 32, serves in a position for which that grade is the minimum authorized grade and is appointed as a reserve officer in that grade may be credited for the purposes of subparagraph (A)*(i)* as having served in that grade. The period of the

service for which credit is afforded under the preceding sentence may only be the period for which the person served in the position after the Senate provides advice and consent for the appointment.

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

* * * * * * *

[(5)(A) The Secretary of Defense may authorize the Secretary of a military department to reduce the 3-year period required by paragraph (3)(A) to a period not less than 2 years in the case of transfers to the Retired Reserve and discharges of retirement-qualified officers effective during the period beginning on October 1, 2002, and ending on December 31, 2003.

[(B) In the case of a person who, upon transfer to the Retired Reserve or discharge, is to be credited with satisfactory service in a general or flag officer grade under paragraph (1), authority provided by the Secretary of Defense to the Secretary of a military department under subparagraph (A) may be exercised with respect to that person only if approved by the Secretary of Defense or another civilian official in the Office of the Secretary of Defense appointed by the President, by and with the advice and consent of the Senate.

[(C) Authority provided by the Secretary of Defense to the Secretary of a military department under subparagraph (A) may be delegated within that military department only to a civilian official of that military department appointed by the President, by and with the advice and consent of the Senate.

[(6) The number of reserve commissioned officers of an armed force in the same grade for whom a reduction is made during any fiscal year in the period of service-in-grade otherwise required under paragraph (5) may not exceed the number equal to 2 percent of the strength authorized for that fiscal year for reserve commissioned officers of that armed force in an active status in that grade.

[(e) ADVANCE NOTICE TO CONGRESSIONAL COMMITTEES.—(1) In the case of an officer to be retired in a grade that is a general or flag officer grade who is eligible to retire in that grade only by reason of an exercise of authority under paragraph (2) of subsection (a) to reduce the three-year service-in-grade requirement otherwise applicable under that paragraph, the Secretary of Defense, before the officer is retired in that grade, shall notify the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives of the exercise of authority under that paragraph with respect to that officer.**]**

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CHAPTER 71—COMPUTATION OF RETIRED PAY

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§ 1406. Retired pay base for members who first became members before September 8, 1980: final basic pay

(a) * * *

* * * * * * *

(i) SPECIAL RULE FOR FORMER CHAIRMEN AND VICE CHAIRMEN OF THE JCS, CHIEFS OF SERVICE, AND SENIOR ENLISTED MEMBERS.—

(1) * * *

(2) EXCEPTION FOR [MEMBERS REDUCED IN GRADE OR WHO DO NOT SERVE SATISFACTORILY] *ENLISTED MEMBERS REDUCED IN GRADE*.—Paragraph (1) does not apply in the case of [a member] *an enlisted member* who, while or after serving in a position specified in that paragraph and by reason of conduct occurring after October 16, [1998—

[(A) in the case of an enlisted member, is reduced in] *1998, is reduced in* grade as the result of a court-martial sentence, nonjudicial punishment, or other administrative process[; or].

[(B) in the case an officer, is not certified by the Secretary of Defense under section 1370(c) of this title as having served on active duty satisfactorily in the grade of general or admiral, as the case may be, while serving in that position.]

* * * * * * *

§ 1413. Special compensation for certain severely disabled uniformed services retirees

(a) * * *

* * * * * * *

(g) SOURCE OF FUNDS.—*Payments under this section for a member of the Army, Navy, Air Force, or Marine Corps shall be paid from the Department of Defense Military Retirement Fund.* Payments under this section *for any other member* for any fiscal year shall be paid out of funds appropriated for pay and allowances payable by the Secretary concerned for that fiscal year.

* * * * * * *

§ 1413a. Special compensation for certain combat-related disabled uniformed services retirees

(a) * * *

* * * * * * *

(h) SOURCE OF PAYMENTS.—*Payments under this section for a member of the Army, Navy, Air Force, or Marine Corps shall be paid from the Department of Defense Military Retirement Fund.* Payments under this section *for any other member* for any fiscal year shall be paid out of funds appropriated for pay and allowances payable by the Secretary concerned for that fiscal year.

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CHAPTER 74—DEPARTMENT OF DEFENSE MILITARY RETIREMENT FUND

* * * * * * *

§ 1463. Payments from the Fund

(a) There shall be paid from the Fund—

(1) retired pay payable to members on the retired lists of the Army, Navy, Air Force, and Marine Corps *and payments under section 1413, 1413a, or 1414 of this title paid to such members*;

* * * * * * *

§ 1465. Determination of contributions to the Fund

(a) * * *

(b)(1) * * *

* * * * * * *

(3) At the same time that the Secretary of Defense makes the determination required by paragraph (1) for any fiscal year, the Secretary shall determine the amount of the Treasury contribution to be made to the Fund for the next fiscal year under section 1466(b)(2)(D) of this title. That amount shall be determined in the same manner as the determination under paragraph (1) of the total amount of Department of Defense contributions to be made to the Fund during that fiscal year under section 1466(a) of this title, except that for purposes of this paragraph the Secretary, in making the calculations required by subparagraphs (A) and (B) of that paragraph, shall use the single level percentages determined under subsection (c)(4), rather than those determined under subsection (c)(1).

(c)(1) Not less often than every four years, the Secretary of Defense shall carry out an actuarial valuation of Department of Defense military retirement and survivor benefit programs. Each actuarial valuation of such programs shall include—

(A) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay for members of the armed forces (other than the Coast Guard) on active duty (other than active duty for training) or full-time National Guard duty (other than full-time National Guard duty for training only)*, to be determined without regard to section 1413, 1413a, or 1414 of this title*; and

(B) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37) for members of the Ready Reserve of the armed forces (other than the Coast Guard and other than members on full-time National Guard duty other than for training) who are not otherwise described by subparagraph (A)*, to be determined without regard to section 1413, 1413a, or 1414 of this title*.

Such single level percentages shall be used for the purposes of subsection (b)*(1)* and section 1466(a) of this title.

* * * * * * *

(4) Whenever the Secretary carries out an actuarial valuation under paragraph (1), the Secretary shall include as part of such valuation the following:

(A) A determination of a single level percentage determined in the same manner as applies under subparagraph (A) of paragraph (1), but based only upon the provisions of section 1413, 1413a, or 1414 of this title (whichever is in effect).

(B) A determination of a single level percentage determined in the same manner as applies under subparagraph (B) of paragraph (1), but based only upon the provisions of section 1413, 1413a, or 1414 of this title (whichever is in effect).

Such single level percentages shall be used for the purposes of subsection (b)(3).

[(4)] *(5)* Contributions to the Fund in accordance with amortization schedules under paragraphs (2) and (3) shall be made as provided in section 1466(b) of this title.

* * * * * * *

§ 1466. Payments into the Fund

(a) * * *

(b)(1) At the beginning of each fiscal year the Secretary of the Treasury shall promptly pay into the Fund from the General Fund of the Treasury the amount certified to the Secretary by the Secretary of Defense under paragraph (3). Such payment shall be the contribution to the Fund for that fiscal year required by [sections 1465(a) and 1465(c)] *sections 1465(a), 1465(b)(3), 1465(c)(2), and 1465(c)(3)* of this title.

(2) At the beginning of each fiscal year the Secretary of Defense shall determine the sum of the following:

(A) * * *

* * * * * * *

(D) The amount for that year determined by the Secretary of Defense under section 1465(b)(3) of this title for the cost to the Fund arising from increased amounts payable from the Fund by reason of section 1413, 1413a, or 1414 of this title.

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CHAPTER 75—DECEASED PERSONNEL

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SUBCHAPTER II—DEATH BENEFITS

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§ 1490. Transportation of remains: certain retired members and dependents who die in military medical facilities

(a) Subject to subsection (b), when a member entitled to retired or retainer pay or equivalent pay, or a dependent of such a member, dies while properly admitted under chapter 55 of this title to a medical facility of the armed forces [located in the United States], the Secretary concerned may transport the remains, or pay the cost of transporting the remains, of the decedent to the place of burial of the decedent.

(b)(1) Transportation provided under this section may not be to a place [outside the United States or to a place] further from the place of death than the decedent's last place of permanent residence, and any amount paid under this section may not exceed the cost of transportation from the place of death to the decedent's last place of permanent residence.

* * * * * * *

[(c) In this section:

[(1) The term "United States" includes the Commonwealth of Puerto Rico and the territories and possessions of the United States.

[(2) The term "dependent" has the meaning given such term in section 1072(2) of this title.]

(c) DEFINITION OF DEPENDENT.—In this section, the term "dependent" has the meaning given such term in section 1072(2) of this title.

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CHAPTER 79—CORRECTION OF MILITARY RECORDS

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§ 1557. Timeliness standards for disposition of applications before Corrections Boards

(a) * * *

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[(e) REPORTS ON FAILURE TO MEET TIMELINESS STANDARDS.—The Secretary of the military department concerned shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report not later than June 1 following any fiscal year during which the Corrections Board of that Secretary's military department was unable to meet the applicable timeliness standard for that fiscal year under subsections (a) and (b). The report shall specify the reasons why the standard could not be met and the corrective actions initiated to ensure compliance in the future. The report shall also specify the number of waivers granted under subsection (c) during that fiscal year.]

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CHAPTER 80—MISCELLANEOUS INVESTIGATION REQUIREMENTS AND OTHER DUTIES

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§ 1563. Consideration of proposals for posthumous and honorary promotions and appointments: procedures for review and recommendation

(a) REVIEW BY SECRETARY CONCERNED.—Upon request of a Member of Congress, the Secretary concerned shall review a proposal for the posthumous or honorary promotion or appointment of a member or former member of the armed forces, or any other person considered qualified, that is not otherwise authorized by law. Based upon such review, the Secretary shall make a determination

as to the merits of approving the posthumous or honorary promotion or appointment and [the other determinations necessary to comply with subsection (b)] *respond with a detailed description of the rationale supporting the determination*.

[(b) NOTICE OF RESULTS OF REVIEW.—Upon making a determination under subsection (a) as to the merits of approving the posthumous or honorary promotion or appointment, the Secretary concerned shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives and to the requesting Member of Congress notice in writing of one of the following:

[(1) The posthumous or honorary promotion or appointment does not warrant approval on the merits.

[(2) The posthumous or honorary promotion or appointment warrants approval and authorization by law for the promotion or appointment is recommended.

[(3) The posthumous or honorary promotion or appointment warrants approval on the merits and has been recommended to the President as an exception to policy.

[(4) The posthumous or honorary promotion or appointment warrants approval on the merits and authorization by law for the promotion or appointment is required but is not recommended.

A notice under paragraph (1) or (4) shall be accompanied by a statement of the reasons for the decision of the Secretary.]

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CHAPTER 83—CIVILIAN DEFENSE INTELLIGENCE EMPLOYEES

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SUBCHAPTER I—DEFENSE-WIDE INTELLIGENCE PERSONNEL POLICY

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§ 1614. Definitions

In this subchapter:

(1) * * *

(2) The term "intelligence component of the Department of Defense" means any of the following:

(A) * * *

* * * * * * *

(C) The [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*.

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SUBCHAPTER V—GENERAL MANAGEMENT PROVISIONS

Sec.
1761. Management information system.

* * * * * * *

1765. Defense acquisition workforce: limitation.

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§ 1765. Defense acquisition workforce: limitation

(a) LIMITATION.—Effective October 1, 2008, the number of defense acquisition and support personnel in the Department of Defense may not exceed 75 percent of the baseline number.

(b) PHASED REDUCTION.—The number of defense acquisition and support personnel in the Department of Defense—

(1) as of October 1, 2004, may not exceed 95 percent of the baseline number;

(2) as of October 1, 2005, may not exceed 90 percent of the baseline number;

(3) as of October 1, 2006, may not exceed 85 percent of the baseline number; and

(4) as of October 1, 2007, may not exceed 80 percent of the baseline number.

(c) BASELINE NUMBER.—In this section, the term "baseline number" means the number of defense acquisition and support personnel in the Department of Defense as of October 1, 2003.

(d) DEFENSE ACQUISITION AND SUPPORT PERSONNEL DEFINED.—In this section, the term "defense acquisition and support personnel" means military and civilian personnel (other than civilian personnel who are employed at a maintenance depot) who are assigned to, or employed in, acquisition organizations of the Department of Defense (as specified in Department of Defense Instruction numbered 5000.58 dated January 14, 1992), and any other organizations which the Secretary may determine to have a predominantly acquisition mission.

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CHAPTER 88—MILITARY FAMILY PROGRAMS AND MILITARY CHILD CARE

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SUBCHAPTER I—MILITARY FAMILY PROGRAMS

Sec.
1781. Office of Family Policy.

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1789. Chaplain-led programs: authorized support.

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§ 1789. Chaplain-led programs: authorized support

(a) AUTHORITY.—The Secretary of a military department may provide support services described in subsection (b) to support chaplain-led programs to assist members of the armed forces on active duty and their immediate family members, and members of reserve components in an active status and their immediate family members, in building and maintaining a strong family structure.

(b) AUTHORIZED SUPPORT SERVICES.—The support services referred to in subsection (a) are costs of transportation, food, lodging, child care, supplies, fees, and training materials for members of the armed forces and their family members while participating in programs referred to in that subsection, including participation at retreats and conferences.

(c) IMMEDIATE FAMILY MEMBERS.—In this section, the term "immediate family members", with respect to a member of the armed forces, means—

(1) the member's spouse; and

(2) any child (as defined in section 1072(6) of this title) of the member who is described in subparagraph (D) of section 1072(2) of this title.

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PART III—TRAINING AND EDUCATION

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CHAPTER 101—TRAINING GENERALLY

* * * * * * *

§ 2002. Dependents of members of armed forces: language training

(a) Notwithstanding section 701(b) of the Foreign Service Act of 1980 (22 U.S.C. 4021(b)) or any other provision of law, and under regulations to be 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, language training may be provided in—

(1) * * *

(2) a facility of the [Foreign Service Institute] *George P. Schultz National Foreign Affairs Training Center* established under section 701(a) of the Foreign Service Act of 1980 (22 U.S.C. 4021(a)); or

* * * * * * *

§ 2010. Participation of developing countries in combined exercises: payment of incremental expenses

(a) * * *

[(b) The Secretary of Defense shall submit to Congress a report each year, not later than March 1, containing—

[(1) a list of the developing countries for which expenses have been paid by the United States under this section during the preceding year; and

[(2) the amounts expended on behalf of each government.]

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CHAPTER 103—SENIOR RESERVE OFFICERS' TRAINING CORPS

Sec.
2101. Definitions.

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2103a. Students not eligible for advanced training: commitment to military service.

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§ 2103a. Students not eligible for advanced training: commitment to military service

(a) A member of the program who has completed successfully the first year of a four-year Senior Reserve Officers' Training Corps course and who is not eligible for advanced training under section 2104 of this title and is not a cadet or midshipman appointed under section 2107 of this title may—

(1) contract with the Secretary of the military department concerned, or the Secretary's designated representative, to serve for the period required by the program; and

(2) agree in writing to accept an appointment, if offered, as a commissioned officer in the Army, Navy, Air Force, or Marine Corps, as the case may be, and to serve in the armed forces for the period prescribed by the Secretary.

(b) A member of the program may enter into a contract and agreement under this section (and receive a subsistence allowance under section 209(c) of title 37) only if the person—

(1) is a citizen of the United States;

(2) enlists in an armed force under the jurisdiction of the Secretary of the military department concerned for the period prescribed by the Secretary; and

(3) executes a certificate of loyalty in such form as the Secretary of Defense prescribes or take a loyalty oath as prescribed by the Secretary.

(c) A member of the program who is a minor may enter into a contract under subsection (a)(1) only with the consent of the member's parent or guardian.

* * * * * * *

§ 2107. Financial assistance program for specially selected members

(a) * * *

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(c)(1) * * *

* * * * * * *

(3) In the case of a cadet or midshipman eligible to receive financial assistance under paragraph (1) or (2), the Secretary of the military department concerned may, in lieu of all or part of the financial assistance described in paragraph (1), provide financial assistance in the form of room and board expenses for the cadet or midshipman and other expenses required by the educational institution.

(4) The total amount of financial assistance, including the payment of room and board and other educational expenses, provided to a cadet or midshipman in an academic year under this subsection may not exceed an amount equal to the amount that could be provided as financial assistance for such cadet or midshipman under paragraph (1) or (2), or other amount determined by the Secretary concerned, without regard to whether room and board and other educational expenses for such cadet or midshipman are paid under paragraph (3).

* * * * * * *

§ 2107a. Financial assistance program for specially selected members: Army Reserve and Army National Guard

(a) * * *

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(c)*(1)* The Secretary of the Army shall provide for the payment of all expenses of the Department of the Army in administering the financial assistance program under this section, including the cost of tuition, fees, books, and laboratory expenses which are incurred by members of the program appointed as cadets under this section while such members are students at a military junior college.

(2) In the case of a cadet eligible to receive financial assistance under paragraph (1), the Secretary of the military department concerned may, in lieu of all or part of the financial assistance described in paragraph (1), provide financial assistance in the form of room and board expenses for such cadet and other expenses required by the educational institution.

(3) The total amount of financial assistance, including the payment of room and board and any other educational expenses, provided to a cadet in an academic year under this subsection may not exceed an amount equal to the amount that could be provided as financial assistance for such cadet under paragraph (1), or other amount determined by the Secretary of the Army, without regard to whether the room and board and other educational expenses for such cadet are paid under paragraph (2).

* * * * * * *

(h) The Secretary of the Army shall appoint not more than 208 cadets each year under this section, to include not less than **[**10**]** *17* cadets at each military junior college at which there are not less than **[**10**]** *17* members of the program eligible under subsection (b) for such an appointment. At any military junior college at which in any year there are fewer than **[**10**]** *17* such members, the Secretary shall appoint each such member as a cadet under this section.

* * * * * * *

CHAPTER 105—ARMED FORCES HEALTH PROFESSIONS FINANCIAL ASSISTANCE PROGRAMS

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SUBCHAPTER II—NURSE OFFICER CANDIDATE ACCESSION PROGRAM

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§ 2130a. Financial assistance: nurse officer candidates

(a) BONUS AUTHORIZED.—(1) A person described in subsection (b) who, during the period beginning on November 29, 1989, and ending on **[**December 31, 2003**]** *December 31, 2004*, executes a written agreement in accordance with subsection (c) to accept an appointment as a nurse officer may, upon the acceptance of the agreement by the Secretary concerned, be paid an accession bonus of not more than $10,000. The bonus shall be paid in periodic installments, as determined by the Secretary concerned at the time

the agreement is accepted, except that the first installment may not exceed $5,000.

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CHAPTER 108—DEPARTMENT OF DEFENSE SCHOOLS

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§ 2166. Western Hemisphere Institute for Security Cooperation

(a) * * *

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(e) BOARD OF VISITORS.—(1) * * *

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(5) Not later than 60 days after its annual meeting, the Board shall submit to the Secretary of Defense *and to Congress* a written report of its activities and of its views and recommendations pertaining to the Institute.

* * * * * * *

[(i) ANNUAL REPORT.—Not later than March 15 of each year, the Secretary of Defense shall submit to Congress a detailed report on the activities of the Institute during the preceding year. The report shall include a copy of the latest report of the Board of Visitors received by the Secretary under subsection (e)(5), together with any comments of the Secretary on the Board's report. The report shall be prepared in consultation with the Secretary of State.**]**

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CHAPTER 111—SUPPORT OF SCIENCE, MATHEMATICS, AND ENGINEERING EDUCATION

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§ 2195. Department of Defense cooperative education programs

(a) * * *

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(d)(1) The Director of the National Security Agency may provide a qualifying employee of a defense laboratory of that Agency with living quarters at no charge, or at a rate or charge prescribed by the Director by regulation, without regard to section 5911(c) of title 5.

(2) In this subsection, the term "qualifying employee" means a student who is employed at the National Security Agency under—

(A) a Student Educational Employment Program of the Agency conducted under this section or any other provision of law; or

(B) a similar cooperative or summer education program of the Agency that meets the criteria for Federal cooperative or summer education programs prescribed by the Office of Personnel Management.

* * * * * * *

PART IV—SERVICE, SUPPLY, AND PROCUREMENT

Chap. Sec.
131. Planning and Coordination 2201
* * * * * * *
160. Environmental Restoration .....[2701] *2700*
* * * * * * *

CHAPTER 131—PLANNING AND COORDINATION

Sec.
2201. Apportionment of funds: authority for exemption; excepted expenses.
* * * * * * *
[2224a. Information security: continued applicability of expiring Governmentwide requirements to the Department of Defense.]
* * * * * * *

§ 2208. Working-capital funds

(a) * * *

* * * * * * *

(j)(1) * * *

(2) The Secretary of Defense may waive the conditions in paragraph (1) in the case of a particular sale if the Secretary determines that the waiver is necessary for reasons of national security [and notifies Congress regarding the reasons for the waiver].

* * * * * * *

§ 2214. Transfer of funds: procedure and limitations

(a) * * *

(b) TRANSFER OF PROCUREMENT FUNDS FOR DEVELOPMENT ACTIVITIES FOR MAJOR DEFENSE ACQUISITION SYSTEMS.—(1) In the case of a major defense acquisition program (as defined in section 2430 of this title) for which funds are currently available both for procurement and for research, development, test, and evaluation, if the Secretary concerned determines that funds are required for further research, development, test, and evaluation activities for that program in excess of the funds currently available for that purpose, the Secretary may (subject to paragraph (2)) transfer funds available for that program for procurement to funds available for that program for research, development, test, and evaluation for the purpose of continuing research, development, test, and evaluation activities for that program.

(2)(A) The total amount transferred under the authority of paragraph (1) for any acquisition program may not exceed $20,000,000.

(B) The total amount transferred under the authority of paragraph (1) from amounts made available for any fiscal year may not exceed $250,000,000.

(3) The authority provided by paragraph (1) is in addition to any other transfer authority that may be provided by law.

(4) Upon a determination that all or part of the funds transferred under paragraph (1) are not necessary for the purpose for which the transfer was made, such amounts may be transferred

back to a Procurement appropriation for the purpose of procurement of the acquisition program for which funds were transferred.

[(b)] *(c)* LIMITATIONS ON PROGRAMS FOR WHICH AUTHORITY MAY BE USED.—Such authority to transfer amounts—

(1) * * *

* * * * * * *

[(c)] *(d)* NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify the Congress of each transfer made under such authority to transfer amounts.

[(d)] *(e)* LIMITATIONS ON REQUESTS TO CONGRESS FOR REPROGRAMMINGS.—Neither the Secretary of Defense nor the Secretary of a military department may prepare or present to the Congress, or to any committee of either House of the Congress, a request with respect to a reprogramming of funds—

(1) unless the funds to be transferred are to be used for a higher priority item, based on unforeseen military requirements, than the item for which the funds were originally appropriated; or

(2) if the request would be for authority to reprogram amounts to an item for which the Congress has denied funds.

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§ 2216. Defense Modernization Account

(a) ESTABLISHMENT.—There is established in the Treasury an account to be known as the "Defense Modernization Account".

* * * * * * *

(j) DEFINITIONS.—In this section:

(1) * * *

* * * * * * *

[(3) The term "congressional defense committees" means—

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

[(B) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

* * * * * * *

§ 2218. National Defense Sealift Fund

(a) * * *

* * * * * * *

(l) DEFINITIONS.—In this section:

(1) * * *

* * * * * * *

[(4) The term "congressional defense committees" means—

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

[(B) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

[(5)] *(4)* The term "head of an agency" has the meaning given that term in section 2302(1) of this title.

* * * * * * *

§ 2223. Information technology: additional responsibilities of Chief Information Officers

(a) * * *

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(c) PERFORMANCE-BASED AND RESULTS-BASED MANAGEMENT.—In addition to the responsibilities provided for in subsections (a) and (b), the Chief Information Officer of the Department of Defense and the Chief Information Officer of a military department shall—

(1) encourage the use of performance-based and results-based management in fulfilling the responsibilities provided for in subsections (a) and (b), as applicable;

(2) evaluate the information resources management practices of the department concerned with respect to the performance and results of the investments made by the department in information technology;

(3) establish effective and efficient capital planning processes for selecting, managing, and evaluating the results of all of the department's major investments in information systems;

(4) ensure that any analysis of the missions of the department is adequate and make recommendations, as appropriate, on the department's mission-related processes, administrative processes, and any significant investments in information technology to be used in support of those missions; and

(5) ensure that information security policies, procedures, and practices are adequate.

(d) DEFENSE AGENCIES AND FIELD ACTIVITIES.—The Secretary of Defense shall require the Director of each Defense Agency and Department of Defense Field Activity to ensure that the responsibilities set forth in subsections (b) and (c) for Chief Information Officers of military departments are carried out within the Agency or Field Activity by any officer or employee acting as a chief information officer or carrying out duties similar to a chief information officer.

[(c)**]** *(e)* DEFINITIONS.—In this section:

(1) * * *

* * * * * * *

§ 2224. Defense Information Assurance Program

(a) * * *

* * * * * * *

(c) PROGRAM STRATEGY.—In carrying out the program, the Secretary shall develop a program strategy that encompasses those actions necessary to assure the readiness, reliability, continuity, and integrity of Defense information systems, networks, and infrastructure, including through compliance with subtitle II of chapter 35 of title 44, including through compliance with **[**subchapter III**]** *subchapter II* of chapter 35 of title 44. The program strategy shall include the following:

(1) * * *

* * * * * * *

(e) ANNUAL REPORT.—Each year *through 2007*, at or about the time the President submits the annual budget for the next fiscal year pursuant to section 1105 of title 31, the Secretary shall sub-

mit to Congress a report on the Defense Information Assurance Program. Each report shall include the following:

(1) * * *

* * * * * * *

[§ 2224a. Information security: continued applicability of expiring Governmentwide requirements to the Department of Defense

[(a) IN GENERAL.—The provisions of subchapter II of chapter 35 of title 44 shall continue to apply through September 30, 2004, with respect to the Department of Defense, notwithstanding the expiration of authority under section 3536 of such title.

[(b) RESPONSIBILITIES.—In administering the provisions of subchapter II of chapter 35 of title 44 with respect to the Department of Defense after the expiration of authority under section 3536 of such title, the Secretary of Defense shall perform the duties set forth in that subchapter for the Director of the Office of Management and Budget.]

§ 2225. Information technology purchases: tracking and management

(a) * * *

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(d) LIMITATION ON CERTAIN PURCHASES.—No purchase of information technology products or services in excess of the simplified acquisition threshold shall be made for the Department of Defense from a Federal agency outside the Department of Defense unless—

(1) * * *

(2)(A) * * *

* * * * * * *

(B) in the case of a purchase by a military department, the purchase is approved by the [senior procurement executive] *Chief Acquisition Officer* of the military department.

* * * * * * *

(f) DEFINITIONS.—In this section:

(1) The term "[senior procurement executive] *Chief Acquisition Officer*", with respect to a military department, means the official designated as the senior procurement executive for the military department for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

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CHAPTER 134—MISCELLANEOUS ADMINISTRATIVE PROVISIONS

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SUBCHAPTER I—MISCELLANEOUS AUTHORITIES, PROHIBITIONS, AND LIMITATIONS ON THE USE OF APPROPRIATED FUNDS

Sec.
2241. Availability of appropriations for certain purposes.

* * * * * * *

2244a. Equipment scheduled for retirement or disposal: limitation on expenditures for modifications.

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[2248. Purchase of surety bonds: prohibition.]

* * * * * * *

§ 2244a. Equipment scheduled for retirement or disposal: limitation on expenditures for modifications

(a) PROHIBITION.—Except as otherwise provided in this section, the Secretary of a military department may not carry out a significant modification of an aircraft, weapon, vessel, or other item of equipment that the Secretary plans to retire or otherwise dispose of within five years after the date on which the modification, if carried out, would be completed.

(b) SIGNIFICANT MODIFICATIONS DEFINED.—For purposes of this section, a significant modification is any modification for which the cost is in an amount equal to or greater than $1,000,000.

(c) EXCEPTION FOR SAFETY MODIFICATIONS.—The prohibition in subsection (a) does not apply to a safety modification.

(d) WAIVER AUTHORITY.—The Secretary concerned may waive the prohibition in subsection (a) in the case of any modification otherwise subject to that subsection if the Secretary determines that carrying out the modification is in the national security interest of the United States. Whenever the Secretary issues such a waiver, the Secretary shall notify the congressional defense committees in writing.

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[§ 2248. Purchase of surety bonds: prohibition

[Funds appropriated or otherwise made available to the Department of Defense for fiscal years 1995 through 1999 may not be obligated or expended for the purchase of surety bonds or other guarantees of financial responsibility in order to guarantee the performance of any direct function of the Department of Defense.]

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SUBCHAPTER II—MISCELLANEOUS ADMINISTRATIVE AUTHORITY

Sec.
2251. Household furnishings and other property: personnel outside the United States or in Alaska or Hawaii.

* * * * * * *

2258. Personal cellular telephones: reimbursement when used for Government business.

* * * * * * *

§ 2255. Aircraft accident investigation boards: composition requirements

(a) * * *

(b) EXCEPTION.—[(1)] The Secretary of the military department concerned may waive the requirement of subsection (a)(1) in the case of an aircraft accident if the Secretary determines that—

(A) it is not practicable to meet the requirement because of—

(i) the remote location of the aircraft accident;

(ii) an urgent need to promptly begin the investigation; or

(iii) a lack of available persons outside of the mishap unit who have adequate knowledge and expertise regarding the type of aircraft involved in the accident; and

(B) the objectivity and independence of the aircraft accident investigation board will not be compromised.

[(2) The Secretary shall notify Congress of a waiver exercised under this subsection and the reasons therefor.]

* * * * * * *

§ 2258. Personal cellular telephones: reimbursement when used for Government business

(a) GENERAL AUTHORITY.—The Secretary of Defense may reimburse members of the Army, Navy, Air Force, and Marine Corp, and civilian officers and employees of the Department of Defense, for cellular telephone use on a privately owned cellular telephone when used on official Government business. Such reimbursement shall be on a flat-rate basis.

(b) REIMBURSEMENT RATE.—The Secretary of Defense may prescribe the reimbursement rate for purposes of subsection (a). That reimbursement rate may not exceed the equivalent Government costs of providing a cellular telephone to employees on official Government business.

* * * * * * *

CHAPTER 135—SPACE PROGRAMS

Sec.
2271. Management of space programs: joint program offices and officer management programs.
2272. Space surveillance network: pilot program for provision of satellite tracking services and data to entities outside United States Government.

* * * * * * *

§ 2272. Space surveillance network: pilot program for provision of satellite tracking support to entities outside United States Government

(a) PILOT PROGRAM.—The Secretary of Defense may carry out a pilot program to determine the feasibility and desirability of providing to non-United States Governmental entities space surveillance data support described in subsection (b).

(b) SPACE SURVEILLANCE DATA SUPPORT.—Under such a pilot program, the Secretary may provide to a non-United States Governmental entity, subject to an agreement described in subsection (c), the following:

(1) Satellite tracking services from assets owned or controlled by the Department of Defense, but only if the Secretary determines, in the case of any such agreement, that providing such services to that entity is in the national security interests of the United States.

(2) Space surveillance data and the analysis of space surveillance data, but only if the Secretary determines, in the case of any such agreement, that providing such data and analysis

to that entity is in the national security interests of the United States.

(c) REQUIRED AGREEMENT.—The Secretary may not provide space surveillance data support to a non-United States Governmental entity under the pilot program unless that entity enters into an agreement with the Secretary under which the entity—

(1) agrees to pay an amount that may be charged by the Secretary under subsection (f); and

(2) agrees not to transfer any data or technical information received under the agreement, including the analysis of tracking data, to any other entity without the Secretary's express approval.

(d) REQUIREMENTS WITH RESPECT TO FOREIGN TRANSACTIONS.—(1) The Secretary may enter into an agreement under subsection (c) to provide space surveillance data support to a foreign government or other foreign entity only with the concurrence of the Secretary of State.

(2) In the case of such an agreement that is entered into with a foreign government or other foreign entity, the Secretary of Defense may provide approval under subsection (c)(2) for a transfer of data or technical information only with the concurrence of the Secretary of State.

(e) PROHIBITION CONCERNING PROVISION OF INTELLIGENCE ASSETS OR DATA.—Nothing in this section shall be considered to authorize the provision of services or information concerning, or derived from, United States intelligence assets or data.

(f) CHARGES.—As a condition of an agreement under subsection (c), the Secretary of Defense may require the non-United States Governmental entity entering into the agreement to pay to the Department of Defense—

(1) such amounts as the Secretary determines to be necessary to reimburse the Department of Defense for the costs to the Department of providing space surveillance data support under the agreement; and

(2) any other amount or fee that the Secretary may prescribe

(g) CREDITING OF FUNDS RECEIVED.—Funds received pursuant to an agreement under this section shall be credited to accounts of the Department of Defense that are current when the proceeds are received and that are available for the same purposes as the accounts originally charged to perform the services. Funds so credited shall merge with and become available for obligation for the same period as the accounts to which they are credited.

(h) PROCEDURES.—The Secretary shall establish procedures for the conduct of the pilot program. As part of those procedures, the Secretary may allow space surveillance data and analytical support to be provided through a contractor of the Department of Defense.

(i) DURATION OF PILOT PROGRAM.—The pilot program under this section shall be conducted during the three-year period beginning on a date specified by the Secretary of Defense, which date shall be not later than 180 days after the date of the enactment of this section.

* * * * * * *

CHAPTER 136—PROVISIONS RELATING TO SPECIFIC PROGRAMS

Sec.
2281. Global Positioning System.
[2282. B–2 bomber: annual report.]

§ 2281. Global Positioning System

(a) * * *

* * * * * * *

[(d) BIENNIAL REPORT.—(1) Not later than 30 days after the end of each even-numbered fiscal year, 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 Global Positioning System. The report shall include a discussion of the following matters:

[(A) The operational status of the system.

[(B) The capability of the system to satisfy effectively (i) the military requirements for the system that are current as of the date of the report, and (ii) the performance requirements of the Federal Radionavigation Plan.

[(C) The most recent determination by the President regarding continued use of the selective availability feature of the system and the expected date of any change or elimination of the use of that feature.

[(D) The status of cooperative activities undertaken by the United States with the governments of other countries concerning the capability of the system or any augmentation of the system to satisfy civil, commercial, scientific, and military requirements, including a discussion of the status and results of activities undertaken under any regional international agreement.

[(E) Any progress made toward establishing GPS as an international standard for consistency of navigational service.

[(F) Any progress made toward protecting GPS from disruption and interference.

[(G) The effects of use of the system on national security, regional security, and the economic competitiveness of United States industry, including the Global Positioning System equipment and service industry and user industries.

[(2) In preparing the parts of each such report required under subparagraphs (D), (E), (F), and (G) of paragraph (1), the Secretary of Defense shall consult with the Secretary of State, the Secretary of Commerce, and the Secretary of Transportation.]

* * * * * * *

[§ 2282. B–2 bomber: annual report

[Not later than March 1 of each year, 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 B–2 bomber aircraft. Each such report shall include the following:

[(1) Identification of the average full-mission capable rate of B–2 aircraft for the preceding fiscal year and the Secretary's overall assessment of the implications of that full-mission ca-

pable rate on mission accomplishment for the B–2 aircraft, together with the Secretary's determination as to whether that rate is adequate for the accomplishment of each of the missions assigned to the B–2 aircraft as of the date of the assessment.

[(2) An assessment of the technical capabilities of the B–2 aircraft and whether these capabilities are adequate to accomplish each of the missions assigned to that aircraft as of the date of the assessment.

[(3) Identification of all ongoing and planned development of technologies to enhance the capabilities of that aircraft.

[(4) Identification and assessment of additional technologies that would make that aircraft more capable or survivable against known and evolving threats.

[(5) A fiscally phased program for each technology identified in paragraphs (3) and (4) for the budget year and the future-years defense program, based on the following three funding situations:

[(A) The President's current budget.

[(B) The President's current budget and the current Department of Defense unfunded priority list.

[(C) The maximum executable funding for the B–2 aircraft given the requirement to maintain enough operationally ready aircraft to accomplish missions assigned to the B–2 aircraft.]

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CHAPTER 137—PROCUREMENT GENERALLY

Sec.
2302. Definitions.
* * * * * * *
2305b. Protests.
* * * * * * *

§ 2302c. Implementation of electronic commerce capability

(a) * * *

(b) DESIGNATION OF AGENCY OFFICIAL.—The head of each agency named in paragraph (5) or (6) of section 2303(a) this title shall designate a program manager to implement the electronic commerce capability for that agency. The program manager shall report directly to an official at a level not lower than the [senior procurement executive] *Chief Acquisition Officer* designated for the agency under section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

* * * * * * *

§ 2304. Contracts: competition requirements

(a) * * *

* * * * * * *

(f)(1) Except as provided in paragraph (2), the head of an agency may not award a contract using procedures other than competitive procedures unless—

(A) * * *

(B) the justification is approved—

(i) * * *

* * * * * * *

(iii) in the case of a contract for an amount exceeding $50,000,000, by the [senior procurement executive] *Chief Acquisition Officer* of the agency designated pursuant to section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)) (without further delegation) or in the case of the Under Secretary of Defense for Acquisition, Technology, and Logistics, acting in his capacity as the [senior procurement executive] *Chief Acquisition Officer* for the Department of Defense, the Under Secretary's delegate designated pursuant to paragraph (6)(B); and

* * * * * * *

§ 2304a. Task and delivery order contracts: general authority

(a) * * *

* * * * * * *

(e) CONTRACT MODIFICATIONS.—*(1)* A task or delivery order may not increase the scope, period, or maximum value of the task or delivery order contract under which the order is issued. The scope, period, or maximum value of the contract may be increased only by modification of the contract.

(2) Unless use of procedures other than competitive procedures is authorized by an exception in subsection (c) of section 2304 of this title and approved in accordance with subsection (f) of such section, competitive procedures shall be used for making such a modification.

(3) Notice regarding the modification shall be provided in accordance with section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

[(f) INAPPLICABILITY TO CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES.—Except as otherwise specifically provided in section 2304b of this title, this section does not apply to a task or delivery order contract for the procurement of advisory and assistance services (as defined in section 1105(g) of title 31).]

(f) LIMITATION ON CONTRACT PERIOD.—The base period of a task order contract or delivery order contract entered into under this section may not exceed five years unless a longer period is specifically authorized in a law that is applicable to such contract. The contract may be extended for an additional 5 years (for a total contract period of not more than 10 years) through modifications, options, or otherwise.

* * * * * * *

§ 2304b. Task order contracts: advisory and assistance services

[(a) AUTHORITY TO AWARD.—(1) Subject to the requirements of this section, section 2304c of this title, and other applicable law, the head of an agency may enter into a task order contract (as defined in section 2304d of this title) for procurement of advisory and assistance services.

[(2) The head of an agency may enter into a task order contract for procurement of advisory and assistance services only under the authority of this section.

[(b) LIMITATION ON CONTRACT PERIOD.—The period of a task order contract entered into under this section, including all periods of extensions of the contract under options, modifications, or otherwise, may not exceed five years unless a longer period is specifically authorized in a law that is applicable to such contract.]

(a) IN GENERAL.—A task order contract (as defined in section 2304d of this title) for procurement of advisory and assistance services shall be subject to the requirements of this section, sections 2304a and 2304c of this title, and other applicable provisions of law.

[(c)] *(b)* CONTENT OF NOTICE.—The notice required by section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)) shall reasonably and fairly describe the general scope, magnitude, and duration of the proposed task order contract in a manner that would reasonably enable a potential offeror to decide whether to request the solicitation and consider submitting an offer.]

[(d) REQUIRED CONTENT OF SOLICITATION AND CONTRACT.—(1) The solicitation for the proposed task order contract shall include the information (regarding services) described in section 2304a(b) of this title.

[(2) A task order contract entered into under this section shall contain the same information that is required by paragraph (1) to be included in the solicitation of offers for that contract.]

(c) REQUIRED CONTENT OF CONTRACT.—A task order contract described in subsection (a) shall contain the same information that is required by section 2304a(b) to be included in the solicitation of offers for that contract.

[(e)] *(d)* MULTIPLE AWARDS.—(1) The head of an agency may, on the basis of one solicitation, award separate task order contracts [under this section] *described in subsection (a)* for the same or similar services to two or more sources if the solicitation states that the head of the agency has the option to do so.

(2) If, in the case of a task order contract for advisory and assistance services to be entered into [under this section], the contract period is to exceed three years and the contract amount is estimated to exceed $10,000,000 (including all options), the solicitation shall—

(A) * * *

* * * * * * *

[(f) CONTRACT MODIFICATIONS.—(1) A task order may not increase the scope, period, or maximum value of the task order contract under which the order is issued. The scope, period, or maximum value of the contract may be increased only by modification of the contract.

[(2) Unless use of procedures other than competitive procedures is authorized by an exception in subsection (c) of section 2304 of this title and approved in accordance with subsection (f) of such section, competitive procedures shall be used for making such a modification.

[(3) Notice regarding the modification shall be provided in accordance with section 18 of the Office of Federal Procurement Pol-

icy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

[(g) CONTRACT EXTENSIONS.—(1) Notwithstanding the limitation on the contract period set forth in subsection (b) or in a solicitation or contract pursuant to subsection (e), a task order contract entered into by the head of an agency under this section may be extended on a sole-source basis for a period not exceeding six months if the head of such agency determines that—

[(A) the award of a follow-on contract has been delayed by circumstances that were not reasonably foreseeable at the time the initial contract was entered into; and

[(B) the extension is necessary in order to ensure continuity of the receipt of services pending the award of, and commencement of performance under, the follow-on contract.

[(2) A task order contract may be extended under the authority of paragraph (1) only once and only in accordance with the limitations and requirements of this subsection.]

[(h)] *(e)* INAPPLICABILITY TO CERTAIN CONTRACTS.—This section does not apply to a contract for the acquisition of property or services that includes acquisition of advisory and assistance services if the head of an agency entering into such contract determines that, under the contract, advisory and assistance services are necessarily incident to, and not a significant component of, the contract.

[(i)] *(f)* ADVISORY AND ASSISTANCE SERVICES DEFINED.—In this section, the term "advisory and assistance services" has the meaning given such term in section 1105(g) of title 31.

* * * * * * *

§ 2305a. Design-build selection procedures

(a) * * *

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(c) PROCEDURES DESCRIBED.—Two-phase selection procedures consist of the following:

(1) The agency develops, either in-house or by contract, a scope of work statement for inclusion in the solicitation that defines the project and provides prospective offerors with sufficient information regarding the Government's requirements (which may include criteria and preliminary design, budget parameters, and schedule or delivery requirements) to enable the offerors to submit proposals which meet the Government's needs. If the agency contracts for development of the scope of work statement, the agency shall contract for architectural and engineering services as defined by and in accordance with [the Brooks Architect-Engineers Act (40 U.S.C. 541 et seq.)] *chapter 11 of title 40*.

* * * * * * *

§ 2305b. Protests

(a) IN GENERAL.—An interested party may protest an acquisition of supplies or services by an agency based on an alleged violation of an acquisition law or regulation, and a decision regarding

such alleged violation shall be made by the agency in accordance with this section.

(b) RESTRICTION ON CONTRACT AWARD PENDING DECISION.—(1) Except as provided in paragraph (2), a contract may not be awarded by an agency after a protest concerning the acquisition has been submitted under this section and while the protest is pending.

(2) The head of the acquisition activity responsible for the award of the contract may authorize the award of a contract, notwithstanding pending protest under this section, upon making a written finding that urgent and compelling circumstances do not allow for waiting for a decision on the protest.

(c) RESTRICTION ON CONTRACT PERFORMANCE PENDING DECISION.—(1) Except as provided in paragraph (2), performance of a contract may not be authorized (and performance of the contract shall cease if performance has already begun) in any case in which a protest of the contract award is submitted under this section before the later of—

(A) the date that is 10 days after the date of contract award; or

(B) the date that is five days after an agency debriefing date offered to an unsuccessful offeror for any debriefing that is requested and, when requested, is required, under section 2305(b)(5) of this title.

(2) The head of the acquisition activity responsible for the award of a contract may authorize performance of the contract notwithstanding a pending protest under this section upon making a written finding that urgent and compelling circumstances do not allow for waiting for a decision on the protest.

(d) DEADLINE FOR DECISION.—The head of an agency shall issue a decision on a protest under this section not later than the date that is 20 working days after the date on which the protest is submitted to such head of an agency.

(e) CONSTRUCTION.—Nothing in this section shall affect the right of an interested party to file a protest with the Comptroller General under subchapter V of chapter 35 of title 31 or in the United States Court of Federal Claims.

(f) DEFINITIONS.—In this section, the terms "protest" and "interested party" have the meanings given such terms in section 3551 of title 31.

* * * * * * *

§ 2306. Kinds of contracts

(a) * * *

* * * * * * *

(e) **[**Each**]** *(1) Except as provided in paragraph (2), each* cost contract and each cost-plus-a-fixed-fee contract shall provide for notice to the agency by the contractor before the making, under the prime contract, of—

[(1)**]** *(A)* a cost-plus-a-fixed-fee subcontract; or

[(2)**]** *(B)* a fixed-price subcontract or purchase order involving more than the greater of **[**(A)**]** *(i)* the simplified acquisition threshold, or **[**(B)**]** *(ii)* 5 percent of the estimated cost of the prime contract.

(2) Paragraph (1) shall not apply to a prime contract with a contractor that maintains a purchasing system approved by the contracting officer for the contract.

* * * * * * *

§ 2306b. Multiyear contracts: acquisition of property

(a) * * *

* * * * * * *

(l) VARIOUS ADDITIONAL REQUIREMENTS WITH RESPECT TO MULTIYEAR DEFENSE CONTRACTS.—(1) * * *

* * * * * * *

[(9) In this subsection, the term "congressional defense committees" means the following:

[(A) The Committee on Armed Services of the Senate and the Subcommittee on Defense of the Committee on Appropriations of the Senate.

[(B) The Committee on Armed Services of the House of Representatives and the Subcommittee on National Security of the Committee on Appropriations of the House of Representatives.**]**

[(10)**]** *(9)* In this subsection:

(A) * * *

* * * * * * *

§ 2306c. Multiyear contracts: acquisition of services

(a) * * *

* * * * * * *

[(g) LIMITATION PERIOD FOR TASK AND DELIVERY ORDER CONTRACTS.—(1) The authority and restrictions of this section, including the authority to enter into contracts for periods of not more than five years, shall apply with respect to task order and delivery order contracts entered into under the authority of section 2304a, 2304b, or 2304c of this title.

[(2) The regulations implementing this subsection shall establish a preference that, to the maximum extent practicable, multiyear requirements for task order and delivery order contracts be met with separate awards to two or more sources under the authority of section 2304a(d)(1)(B) of this title.**]**

(h) **[**ADDITIONAL DEFINITIONS.—In this section:

[(1) The term "base closure law" has the meaning given such term in section 2667(h)(2) of this title.

[(2) The term**]** *MILITARY INSTALLATION DEFINED.—In this section, the term* "military installation" has the meaning given such term in section 2801(c)(2) of this title.

* * * * * * *

§ 2308. Buy-to-budget acquisition: end items

(a) * * *

* * * * * * *

(e) DEFINITIONS.—(1) * * *

(2) In this section:

[(A) The term "congressional defense committees" means—

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

[(ii) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

[(B)] *(A)* The term "end item" means a production product assembled, completed, and ready for issue or deployment.

[(C)] *(B)* The term "head of an agency" means the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force.

* * * * * * *

§ 2320. Rights in technical data

(a) * * *

(b) Regulations prescribed under subsection (a) shall require that, wherever practicable, a contract for supplies or services entered into by an agency named in section 2303 of this title contain appropriate provisions relating to technical data, including provisions—

(1) * * *

* * * * * * *

[(7) requiring the contractor to furnish written assurance at the time the technical data is delivered or is made available that the technical data is complete and accurate and satisfies the requirements of the contract concerning technical data;]

[(8)] *(7)* establishing remedies to be available to the United States when technical data required to be delivered or made available under the contract is found to be incomplete or inadequate or to not satisfy the requirements of the contract concerning technical data; and

[(9)] *(8)* authorizing the head of the agency to withhold payments under the contract (or exercise such other remedies as the head of the agency considers appropriate) during any period if the contractor does not meet the requirements of the contract pertaining to the delivery of technical data.

* * * * * * *

§ 2323. Contract goal for small disadvantaged businesses and certain institutions of higher education

(a) * * *

* * * * * * *

(d) APPLICABILITY.—Subsection (a) does not apply to the Department of [Defense—

[(1) to the extent] *Defense to the extent* to which the Secretary of Defense determines that compelling national security considerations require otherwise[; and].

[(2) if the Secretary notifies Congress of such determination and the reasons for such determination.]

* * * * * * *

[(i) ANNUAL REPORT.—(1) Not later than December 15 of each year, the head of the agency shall submit to Congress a report on the progress of the agency toward attaining the goal of subsection (a) during the preceding fiscal year.

[(2) The report required under paragraph (1) shall include the following:

[(A) A full explanation of any progress toward attaining the goal of subsection (a).

[(B) A plan to achieve the goal, if necessary.

[(3) The report required under paragraph (1) shall also include the following:

[(A) The aggregate differential between the fair market price of all contracts awarded pursuant to subsection (e)(3) and the estimated fair market price of all such contracts had such contracts been entered into using full and open competitive procedures.

[(B) An analysis of the impact that subsection (a) shall have on the ability of small business concerns not owned and controlled by socially and economically disadvantaged individuals to compete for contracts with the agency.

[(C) A description of the percentage of contracts (actions), the total dollar amount (size of action), and the number of different entities relative to the attainment of the goal of subsection (a), separately for Black Americans, Native Americans, Hispanic Americans, Asian Pacific Americans, and other minorities.

[(D) A detailed description of the infrastructure assistance provided under subsection (c) during the preceding fiscal year and of the plans for providing such assistance during the fiscal year in which the report is submitted.]

* * * * * * *

§ 2327. Contracts: consideration of national security objectives

(a) * * *

* * * * * * *

(c) WAIVER.—(1)(A) If the Secretary of Defense determines under paragraph (2) that entering into a contract with a firm or a subsidiary of a firm described in subsection (b) is not inconsistent with the national security objectives of the United States, the head of an agency may enter into a contract with such firm or subsidiary [after the date on which such head of an agency submits to Congress a report on the contract] *if in the best interests of the Government*.

(B) [A report under subparagraph (A)] *The Secretary shall maintain records of each contract entered into by reason of subparagraph (A). Such records* shall include the following:

(i) * * *

* * * * * * *

[(C) After the head of an agency submits a report to Congress under subparagraph (A) with respect to a firm or a subsidiary, such head of an agency is not required to submit a report before entering into any subsequent contract with such firm or subsidiary

unless the information required to be included in such report under subparagraph (B) has materially changed since the submisson of the previous report.]

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CHAPTER 138—COOPERATIVE AGREEMENTS WITH NATO ALLIES AND OTHER COUNTRIES

* * * * * * *

SUBCHAPTER II—OTHER COOPERATIVE AGREEMENTS

* * * * * * *

§ 2350a. Cooperative research and development agreements: NATO organizations; allied and friendly foreign countries

(a) * * *

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[(f) REPORTS TO CONGRESS.—(1) Not later than March 1 of each year, the Under Secretary of Defense for Acquisition, Technology, and Logistics shall submit to the Speaker of the House of Representatives and the Committees on Armed Services and Appropriations of the Senate a report on cooperative research and development projects under this section. Each such report shall include—

[(A) a description of the status, funding, and schedule of existing projects carried out under this section for which memoranda of understanding (or other formal agreements) have been entered into; and

[(B) a description of the purpose, funding, and schedule of any new projects proposed to be carried out under this section (including those projects for which memoranda of understanding (or other formal agreements) have not yet been entered into) for which funds have been included in the budget submitted to Congress pursuant to section 1105 of title 31 for the fiscal year following the fiscal year in which the report is submitted.

[(2) Not later than January 1 of each year, the Secretary of Defense shall submit to the Committees on Armed Services and on Foreign Relations of the Senate and to the Committees on Armed Services and on International Relations of the House of Representatives a report specifying—

[(A) the countries that are eligible to participate in a cooperative project agreement under this section; and

[(B) the criteria used to determine the eligibility of such countries.]

(g) SIDE-BY-SIDE TESTING.—(1) * * *

* * * * * * *

[(3) The Deputy Director, Defense Research and Engineering (Test and Evaluation) shall notify the Speaker of the House of Representatives and the Committees on Armed Services and on Appropriations of the Senate of the Deputy Director's intent to obligate

funds made available to carry out this subsection not less than 30 days before such funds are obligated.]

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§ 2350j. Burden sharing contributions by designated countries and regional organizations

(a) * * *

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[(e) NOTICE AND WAIT REQUIREMENTS.—(1) When a decision is made to carry out a military construction project under subsection (d), the Secretary of Defense shall submit to the congressional committees specified in subsection (g) a report containing—

[(A) an explanation of the need for the project;

[(B) the then current estimate of the cost of the project; and

[(C) a justification for carrying out the project under that subsection.

[(2) The Secretary of Defense or the Secretary of a military department may not commence a military construction project under subsection (d) until the end of the 21-day period beginning on the date on which the Secretary of Defense submits the report under paragraph (1) regarding the project.

[(3)(A) A military construction project under subsection (d) may be carried out without regard to the requirement in paragraph (1) and the limitation in paragraph (2) if the project is necessary to support the armed forces in the country or region in which the project is carried out by reason of a declaration of war, or a declaration by the President of a national emergency pursuant to the National Emergencies Act (50 U.S.C. 1601 et seq.), that is in force at the time of the commencement of the project.

[(B) When a decision is made to carry out a military construction project under subparagraph (A), the Secretary of Defense shall submit to the congressional committees specified in subsection (g)—

[(i) a notice of the decision; and

[(ii) a statement of the current estimated cost of the project, including the cost of any real property transaction in connection with the project.]

* * * * * * *

[(g) CONGRESSIONAL COMMITTEES.—The congressional committees referred to in subsection (e) are—

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

[(2) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

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CHAPTER 139—RESEARCH AND DEVELOPMENT

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§ 2359a. Technology Transition Initiative

(a) * * *

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(i) DEFINITION.—In this section, the term "acquisition executive", with respect to a military department or Defense Agency, means the official designated as the [senior procurement executive] *Chief Acquisition Officer* for that military department or Defense Agency for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

* * * * * * *

§ 2366. Major systems and munitions programs: survivability and lethality testing required before full-scale production

(a) * * *

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(e) DEFINITIONS.—In this section:

(1) * * *

* * * * * * *

[(7) The term "congressional defense committees" means—

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

[(B) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

[(8)] *(7)* The term "Milestone B approval" means a decision to enter into system development and demonstration pursuant to guidance prescribed by the Secretary of Defense for the management of Department of Defense acquisition programs.

[(9)] *(8)* The term "Milestone C approval" means a decision to enter into production and deployment pursuant to guidance prescribed by the Secretary of Defense for the management of Department of Defense acquisition programs.

§ 2367. Use of federally funded research and development centers

(a) * * *

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[(d) IDENTIFICATION TO CONGRESS OF FFRDC WORKLOAD EFFORT.—After the close of a fiscal year, and not later than January 1 of the next year, the Secretary shall submit to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on Armed Services and the Committee on Appropriations of the House of Representatives a report setting forth the actual obligations and the actual man-years of effort expended at each federally funded research and development center during that fiscal year.]

* * * * * * *

§ 2371. Research projects: transactions other than contracts and grants

(a) * * *

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[(h) ANNUAL REPORT.—(1) Not later than 90 days after the end of each fiscal year, 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 use by the Department of Defense during such fiscal year of—

[(A) cooperative agreements authorized under section 2358 of this title that contain a clause under subsection (d); and

[(B) transactions authorized by subsection (a).

[(2) The report shall include, with respect to the cooperative agreements and other transactions covered by the report, the following:

[(A) The technology areas in which research projects were conducted under such agreements or other transactions.

[(B) The extent of the cost-sharing among Federal Government and non-Federal sources.

[(C) The extent to which the use of the cooperative agreements and other transactions—

[(i) has contributed to a broadening of the technology and industrial base available for meeting Department of Defense needs; and

[(ii) has fostered within the technology and industrial base new relationships and practices that support the national security of the United States.

[(D) The total amount of payments, if any, that were received by the Federal Government during the fiscal year covered by the report pursuant to a clause described in subsection (d) that was included in the cooperative agreements and other transactions, and the amount of such payments, if any, that were credited to each account established under subsection (f).]

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§ 2374a. Prizes for advanced technology achievements

(a) * * *

* * * * * * *

[(e) ANNUAL REPORT.—Promptly after the end of each fiscal year, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the administration of the program for that fiscal year. The report shall include the following:

[(1) The military applications of the research, technology, or prototypes for which prizes were awarded.

[(2) The total amount of the prizes awarded.

[(3) The methods used for solicitation and evaluation of submissions, together with an assessment of the effectiveness of those methods.]

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CHAPTER 141—MISCELLANEOUS PROCUREMENT PROVISIONS

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§ 2399. Operational test and evaluation of defense acquisition programs

(a) * * *

* * * * * * *

(h) [DEFINITIONS.—In this section:

[(1) The term] *OPERATIONAL TEST AND EVALUATION DEFINED.—In this section, the term* "operational test and evaluation" has the meaning given that term in section 139(a)(2)(A) of this title. For purposes of subsection (a), that term does not include an operational assessment based exclusively on—

[(A)] *(1)* computer modeling;

[(B)] *(2)* simulation; or

[(C)] *(3)* an analysis of system requirements, engineering proposals, design specifications, or any other information contained in program documents.

[(2) The term "congressional defense committees" means—

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

[(B) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

* * * * * * *

§ 2410a. Severable service contracts for periods crossing fiscal years

(a) AUTHORITY.—The Secretary of Defense, the Secretary of a military department, or the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy, may enter into a contract for procurement of severable services *and the lease of real or personal property, including the maintenance of such property when contracted for as part of the lease agreement,* for a period that begins in one fiscal year and ends in the next fiscal year if (without regard to any option to extend the period of the contract) the contract period does not exceed one year.

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§ 2410i. Prohibition on contracting with entities that comply with the secondary Arab boycott of Israel

(a) * * *

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(c) WAIVER AUTHORITY.—The Secretary of Defense may waive the prohibition in subsection (b) in specific instances when the Secretary determines that the waiver is necessary in the national security interests of the United States. [Within 15 days after the end of each fiscal year, the Secretary shall submit to Congress a report identifying each contract for which a waiver was granted under this subsection during that fiscal year.]

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§ 2410m. Retention of amounts collected from contractor during the pendency of contract dispute

(a) * * *

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(c) [REPORTING REQUIREMENT.—Each year] *ANNUAL REPORT.—Not later than 60 days after the end of each fiscal year*, the Under Secretary of Defense (Comptroller) shall submit to Congress a report on the amounts, if any, that are available for obligation pursuant to this section. The report shall include, at a minimum, the following:

(1) The total amount available for obligation *at the end of such fiscal year*.

(2) The total amount collected from contractors [during the year preceding the year in which the report is submitted] *under this section during that fiscal year*.

(3) The total amount disbursed [in such preceding year] *under this section during that fiscal year* and a description of the purpose for each disbursement.

(4) The total amount returned to the Treasury [in such preceding year] *under this section during that fiscal year*.

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CHAPTER 144—MAJOR DEFENSE ACQUISITION PROGRAMS

Sec.
2430. Major defense acquisition program defined.

* * * * * * *

2436. Major defense acquisition programs: requirement for certain items to be entirely produced in United States.

* * * * * * *

§ 2432. Selected Acquisition Reports

(a) * * *

* * * * * * *

(h)(1) Total program reporting under this section shall apply to a major defense acquisition program when funds have been appropriated for such *program* and the Secretary of Defense has decided to proceed to system development and demonstration of such program. Reporting may be limited to the development program as provided in paragraph (2) before a decision is made by the Secretary of Defense to proceed to system development and demonstration if the Secretary notifies the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives of the intention to submit a limited report under this subsection not less than 15 days before a report is due under this section.

* * * * * * *

§ 2433. Unit cost reports

(a) * * *

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(d)(1) When a unit cost report is submitted to the service acquisition executive designated by the Secretary concerned under this section with respect to a major defense acquisition program, the service acquisition executive shall determine whether the current program acquisition unit cost for the program has increased by at least 15 percent[, or by at least 25 percent,] over the program acquisition unit cost for the program as shown in the Baseline Estimate.

(2) When a unit cost report is submitted to the service acquisition executive designated by the Secretary concerned under this section with respect to a major defense acquisition program that is a procurement program, the service acquisition executive, in addition to the determination under paragraph (1), shall determine whether the procurement unit cost for the program has increased by at least 15 percent[, or by at least 25 percent,] over the procurement unit cost for the program as reflected in the Baseline Estimate.

(3) If, based upon the service acquisition executive's determination, the Secretary concerned determines that the current program acquisition unit cost has increased by at least 15 percent, [or by at least 25 percent,] as determined under paragraph (1), or that the procurement unit cost has increased by at least 15 percent, [or by at least 25 percent,] as determined under paragraph (2), the Secretary shall notify Congress in writing of such determination and of the increase with respect to such program. In the case of a determination based on a quarterly report submitted in accordance with subsection (b), the Secretary shall submit the notification to Congress within 45 days after the end of the quarter. In the case of a determination based on a report submitted in accordance with subsection (c), the Secretary shall submit the notification to Congress within 45 days after the date of that report. The Secretary shall include in the notification the date on which the determination was made.

(e)(1) * * *

[(2) If the percentage increase in the program acquisition unit cost or procurement unit cost of a major defense acquisition program (as determined by the Secretary under subsection (d)) exceeds 25 percent, the Secretary of Defense shall submit to Congress, before the end of the 30-day period beginning on the day the Selected Acquisition Report containing the information described in subsection (g) is required to be submitted under section 2432(f) of this title—

[(A) a written certification, stating that—

[(i) such acquisition program is essential to the national security;

[(ii) there are no alternatives to such acquisition program which will provide equal or greater military capability at less cost;

[(iii) the new estimates of the program acquisition unit cost or procurement unit cost are reasonable; and

[(iv) the management structure for the acquisition program is adequate to manage and control program acquisition unit cost or procurement unit cost; and

[(B) if a report under paragraph (1) has been previously submitted to Congress with respect to such program for the

current fiscal year but was based upon a different unit cost report from the program manager to the service acquisition executive designated by the Secretary concerned, a further report containing the information described in subsection (g), determined from the time of the previous report to the time of the current report.]

[(3)] *(2)* If a determination of an increase of at least 15 percent is made by the Secretary under subsection (d) and a Selected Acquisition Report containing the information described in subsection (g) is not submitted to Congress under paragraph (1), [or if a determination of an increase of at least 25 percent is made by the Secretary under subsection (d) and the certification of the Secretary of Defense is not submitted to Congress under paragraph (2),] funds appropriated for military construction, for research, development, test, and evaluation, and for procurement may not be obligated for a major contract under the program.

(3) The prohibition *under paragraph (2)* on the obligation of funds for a major defense acquisition program shall cease to apply at the end of a period of 30 days of continuous session of Congress (as determined under section 7307(b)(2) of this title) beginning on [the date—

[(A) on which Congress receives the Selected Acquisition Report under paragraph (1) or (2)(B) with respect to that program, in the case of a determination of an increase of at least 15 percent (as determined in subsection (d)); or

[(B) on which Congress has received both the Selected Acquisition Report under paragraph (1) or (2)(B) and the certification of the Secretary of Defense under paragraph (2)(A) with respect to that program, in the case of an increase of at least 25 percent (as determined under subsection (d)).] *the date on which Congress receives the Selected Acquisition Report under paragraph (1) with respect to that program.*

* * * * * * *

§ 2436. Major defense acquisition programs: requirement for certain items to be entirely produced in United States

The Secretary of Defense shall require that, for any procurement of a major defense acquisition program—

(1) the contractor for the procurement shall use only machine tools entirely produced within the United States to carry out the contract; and

(2) any subcontractor under the contract shall comply with paragraph (1) in the case of any contract in an amount that is $5,000,000 or greater.

* * * * * * *

CHAPTER 145—CATALOGING AND STANDARDIZATION

Sec.
2451. Defense supply management.
[2452. Duties of Secretary of Defense.
[2453. Supply catalog: distribution and use.
[2454. Supply catalog: new or obsolete items.]

* * * * * * *

[§ 2451. Defense supply management

[(a) The Secretary of Defense shall develop a single catalog system and related program of standardizing supplies for the Department of Defense.

[(b) In cataloging, the Secretary shall name, describe, classify, and number each item recurrently used, bought, stocked, or distributed by the Department of Defense, so that only one distinctive combination of letters or numerals, or both, identifies the same item throughout the Department of Defense. Only one identification may be used for each item for all supply functions from purchase to final disposal in the field or other area. The catalog may consist of a number of volumes, sections, or supplements. It shall include all items of supply and, for each item, information needed for supply operations, such as descriptive and performance data, size, weight, cubage, packaging and packing data, a standard quantitative unit of measurement, and other related data that the Secretary determines to be desirable.

[(c) In standardizing supplies the Secretary shall, to the highest degree practicable—

[(1) standardize items used throughout the Department of Defense by developing and using single specifications, eliminating overlapping and duplicate specifications, and reducing the number of sizes and kinds of items that are generally similar;

[(2) standardize the methods of packing, packaging, and preserving such items; and

[(3) make efficient use of the services and facilities for inspecting, testing, and accepting such items.]

§ 2451. Defense supply management

(a) SINGLE CATALOG SYSTEM.—The Secretary of Defense shall adopt, implement and maintain a single catalog system for standardizing supplies for the Department of Defense. The single catalog system shall be used for each supply the Department uses, buys, stocks, or distributes.

(b) STANDARDIZATION REQUIREMENTS.—To the highest degree practicable, the Secretary of Defense shall—

(1) adopt and use single commercial standards or voluntary standards, in consultation with industry advisory groups, in order to eliminate overlapping and duplicate specifications for supplies for the Department of Defense and to reduce the number of sizes and kind of supplies that are generally similar;

(2) standardize the methods of packing, packaging, and preserving supplies; and

(3) make efficient use of the services and facilities for inspecting, testing, and accepting supplies.

(c) CONSULTATION AND COOPERATION.—The Secretary of Defense shall maintain liaison with industry advisory groups to coordinate the development of the supply catalog and the standardization program with the best practices of industry and to obtain the fullest practicable cooperation and participation of industry in developing the supply catalog and the standardization program.

[§ 2452. Duties of Secretary of Defense

[The Secretary of Defense shall—

[(1) develop and maintain the supply catalog, and the standardization program, described in section 2451 of this title;

[(2) direct and coordinate progressive use of the supply catalog in all supply functions within the Department of Defense from the determination of requirements through final disposal;

[(3) direct, review, and approve—

[(A) the naming, description, and pattern of description of all items;

[(B) the screening, consolidation, classification, and numbering of descriptions of all items; and

[(C) the publication and distribution of the supply catalog;

[(4) maintain liaison with industry advisory groups to coordinate the development of the supply catalog and the standardization program with the best practices of industry and to obtain the fullest practicable cooperation and participation of industry in developing the supply catalog and the standardization program;

[(5) establish, publish, review, and revise, within the Department of Defense, military specifications, standards, and lists of qualified products, and resolve differences between the military departments, bureaus, and services with respect to them;

[(6) assign responsibility for parts of the cataloging and the standardization programs to the military departments, bureaus, and services within the Department of Defense, when practical and consistent with their capacity and interest in those supplies;

[(7) establish time schedules for assignments made under clause (6); and

[(8) make final decisions in all matters concerned with the cataloging and standardization programs.

[§ 2453. Supply catalog: distribution and use

[The Secretary of Defense shall distribute the parts of the supply catalog described in section 2451 of this title as they are completed. Existing catalogs shall be replaced according to schedules established by the Secretary. After replacement no other supply catalog may be used within the Department of Defense with respect to the kinds of items covered by that part. All property reports and records shall use the nomenclature, item numbers, and descriptive data of the supply catalog.

[§ 2454. Supply catalog: new or obsolete items

[(a) After any part of the supply catalog described in section 2451 of this title is distributed, and with respect to the kinds of items covered by that part, only the items listed in it may be procured for recurrent use in the Department of Defense. However, a military department may acquire any new item that is necessary to carry out its mission. As soon as such an item is acquired, it shall be submitted to the Secretary for inclusion in the catalog and the standardization program.

[(b) Obsolete items may be deleted from the catalog at any time.]

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§ 2457. Standardization of equipment with North Atlantic Treaty Organization members

(a) * * *

* * * * * * *

[(d) Before February 1, 1989, and biennially thereafter, the Secretary shall submit a report to Congress that includes—

[(1) each specific assessment and evaluation made and the results of each assessment and evaluation, and the results achieved with the members of the North Atlantic Treaty Organization, under subsections (a) (1) and (2) and (b);

[(2) procurement action initiated on each new major system not complying with the policy of subsection (a);

[(3) procurement action initiated on each new major system that is not standardized or interoperable with equipment of other members of the Organization, including a description of the system chosen and the reason for choosing that system;

[(4) the identity of—

[(A) each program of research and development for the armed forces of the United States stationed in Europe that supports, conforms, or both, to common Organization requirements of developing weapon systems for use by the Organization, including a common definition of the military threat to the Organization; and

[(B) the common requirements of the Organization to which those programs conform or which they support;

[(5) action of the Alliance toward common Organization requirements if none exist;

[(6) efforts to establish a regular procedure and mechanism in the Organization to determine common military requirements;

[(7) a description of each existing and planned program of the Department of Defense that supports the development or procurement of a weapon system or other military equipment originally developed or procured by members of the Organization other than the United States and for which funds have been authorized to be appropriated for the fiscal year in which the report is submitted, including a summary listing of the amount of funds—

[(A) appropriated for those programs for the fiscal year in which the report is submitted; and

[(B) requested, or proposed to be requested, for those programs for each of the 2 fiscal years following the fiscal year for which the report is submitted; and

[(8) a description of each weapon system or other military equipment originally developed or procured in the United States and that is being developed or procured by members of the Organization other than the United States during the fiscal year for which the report is submitted.]

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CHAPTER 146—CONTRACTING FOR PERFORMANCE OF CIVILIAN COMMERCIAL OR INDUSTRIAL TYPE FUNCTIONS

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§ 2474. Centers of Industrial and Technical Excellence: designation; public-private partnerships

(a) * * *

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(f) EXCLUSION OF CERTAIN EXPENDITURES FROM PERCENTAGE LIMITATION.—(1) Amounts expended for the performance of a depot-level maintenance and repair workload by non-Federal Government personnel at a Center of Industrial and Technical Excellence under any contract [entered into during fiscal years 2003 through 2006] shall not be counted for purposes of applying the percentage limitation in section 2466(a) of this title if the personnel are provided by private industry or other entities outside the Department of Defense pursuant to a public-private partnership.

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CHAPTER 147—COMMISSARIES AND EXCHANGES AND OTHER MORALE, WELFARE, AND RECREATION ACTIVITIES

Sec.
2481. Existence of defense commissary system and exchange stores system.
2482. Commissary stores: operation.

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§ 2481. Existence of defense commissary system and exchange stores system

(a) IN GENERAL.—The Secretary of Defense shall operate a defense commissary system and an exchange stores system in the manner provided by this chapter and other provisions of law.

(b) SEPARATE SYSTEMS.—Except as authorized by section 2490a of this title, the defense commissary system and the exchange stores system shall be operated as separate systems of the Department of Defense.

§ 2482. Commissary stores: operation

(a) PRIVATE OPERATION.—[Private persons may operate commissary stores under such regulations as the Secretary of Defense may approve. A contract with a private person for the operation of any commissary store may not require or permit the contractor to carry out functions for the procurement of products to be sold in the store or to engage in functions relating to the overall management of a commissary system or the management of any such store.] *(1) Under such regulations as the Secretary of Defense may approve, private persons may operate selected commissary store functions, except that such functions may not include functions relating to the procurement of products to be sold in a commissary store or functions relating to the overall management of a commissary system or the management of a commissary store.* Such

functions shall be carried out by personnel of the Department of Defense under regulations approved by the Secretary of Defense.

(2) Any change to private operation of a commissary store function shall not take effect until the Secretary of Defense submits written notice of the proposed change to Congress and a period of 90 days of continuous session of Congress expires following the date on which notice was received, determined as provided in section 2486(d)(2) of this title.

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§ 2484. Commissary stores: use of appropriated funds to cover operating expenses

(a) OPERATION OF AGENCY AND SYSTEM.—Except as otherwise provided in this title, the operation of the Defense Commissary Agency and the defense commissary system [may] *shall* be funded using such amounts as are appropriated for such purpose.

(b) OPERATING EXPENSES OF COMMISSARY STORES.—Appropriated funds [may] *shall* be used to cover the expenses of operating commissary stores and central product processing facilities of the defense commissary system. For purposes of this subsection, operating expenses include the following:

(1) * * *

* * * * * * *

(c) SUPPLEMENTAL FUNDS FOR COMMISSARY OPERATIONS.—Amounts appropriated to cover the expenses of operating the Defense Commissary Agency and the defense commissary system may be supplemented with additional funds from manufacturers' coupon redemption fees, handling fees for tobacco products, and other amounts received as reimbursement for other support activities provided by commissary activities.

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§ 2490a. Combined exchange and commissary stores

(a) * * *

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(f) [DEFINITIONS.—In this section:

[(1) The term] *NONAPPROPRIATED FUND INSTRUMENTALITY DEFINED.—In this section, the term* "nonappropriated fund instrumentality" means the Army and Air Force Exchange Service, Navy Exchange Service Command, Marine Corps exchanges, or any other instrumentality of the United States under the jurisdiction of the Armed Forces which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.

[(2) The term "base closure law" has the meaning given such term by section 2667(h) of this title.]

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§ 2493. Fisher Houses: administration as nonappropriated fund instrumentality

(a) * * *

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[(g) ANNUAL REPORT.—Not later than January 15 of each year, the Secretary of each military department shall submit to Congress a report describing the operation of Fisher Houses and Fisher Suites associated with health care facilities of that military department. The report shall include, at a minimum, the following:

[(1) The amount in the fund established by that Secretary under subsection (d) as of October 1 of the previous year.

[(2) The operation of the fund during the preceding fiscal year, including—

[(A) all gifts, fees, and interest credited to the fund; and

[(B) all disbursements from the fund.

[(3) The budget for the operation of the Fisher Houses and Fisher Suites for the fiscal year in which the report is submitted.]

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CHAPTER 148—NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE, DEFENSE REINVESTMENT, AND DEFENSE CONVERSION

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SUBCHAPTER I—DEFINITIONS

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§ 2500. Definitions

In this chapter:

(1) The term "national technology and industrial base" means the persons and organizations that are engaged in research, development, [production, or maintenance] *production, and maintenance* activities conducted within the United States [and Canada] .

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SUBCHAPTER II—POLICIES AND PLANNING

Sec.
2501. National security objectives concerning national technology and industrial base.
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2508. Goods and technologies critical for military superiority: list.

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§ 2508. Goods and technologies critical for military superiority: list

(a) REQUIREMENT TO MAINTAIN LIST.—(1) The Secretary of Defense shall maintain a list of any goods or technology that, if obtained by a potential adversary, could undermine the military superiority or qualitative military advantage of the United States over potential adversaries.

(2) In this section, the term "goods or technology" means—

(A) any article, natural or manmade substance, material, supply, or manufactured product, including inspection and test equipment; and

(B) any information and know-how (whether in tangible form, such as models, prototypes, drawings, sketches, diagrams, blueprints, or manuals, or in intangible form, such as training or technical services) that can be used to design, produce, manufacture, utilize, or reconstruct goods, including computer software and technical data.

(b) MATTERS TO BE INCLUDED ON LIST.—The Secretary shall include on the list the following:

(1) Any technology or developing critical technology (including conventional weapons, weapons of mass destruction, and delivery systems) that could enhance a potential adversary's military capabilities or that is critical to the United States maintaining its military superiority and qualitative military advantage.

(2) Any dual-use good, material, or know-how that could enhance a potential adversary's military capabilities or that is critical to the United States maintaining its military superiority and qualitative military advantage, including those used to manufacture weapons of mass destruction and their associated delivery systems.

(c) REQUIREMENTS.—The Secretary shall ensure that—

(1) the list is subject to a systematic, ongoing assessment and analysis of dual-use technologies; and

(2) the list is updated not less often than every two months.

(d) AVAILABILITY.—The list shall be made available—

(1) in unclassified form on the Department of Defense public website, in a usable form; and

(2) in classified form to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.

SUBCHAPTER III—PROGRAMS FOR DEVELOPMENT, APPLICATION, AND SUPPORT OF DUAL-USE TECHNOLOGIES

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§ 2515. Office of Technology Transition

(a) * * *

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[(d) ANNUAL REPORT.—(1) The Secretary of Defense shall submit to the congressional committees specified in paragraph (2) an annual report on the activities of the Office. The report shall be submitted each year at the same time that the budget is submitted to Congress by the President pursuant to section 1105 of title 31. The report shall contain a discussion of the accomplishments of the Office during the fiscal year preceding the fiscal year in which the report is submitted.

[(2) The committees referred to in paragraph (1) are—

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

[(B) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.]

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SUBCHAPTER IV—MANUFACTURING TECHNOLOGY

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§ 2521. Manufacturing Technology Program

(a) * * *

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[(e) FIVE-YEAR PLAN.—(1) The Secretary of Defense shall prepare and maintain a five-year plan for the program.

[(2) The plan shall establish the following:

[(A) The overall manufacturing technology objectives, milestones, priorities, and investment strategy for the program.

[(B) The specific objectives of, and funding for the program by, each military department and each Defense Agency participating in the program.

[(C) Plans for the implementation of the advanced manufacturing technologies and processes being developed under the program.

[(3) The plan shall be updated biennially and shall be included in the budget justification documents submitted in support of the budget of the Department of Defense for each even-numbered fiscal year (as included in the budget of the President submitted to Congress under section 1105 of title 31).]

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SUBCHAPTER V—MISCELLANEOUS TECHNOLOGY BASE POLICIES AND PROGRAMS

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§ 2533a. Requirement to buy certain articles from American sources; exceptions

(a) REQUIREMENT.—Except as provided in subsections (c) [through (h)] *through (i)*, funds appropriated or otherwise available to the Department of Defense may not be used for the procurement of an item described in subsection (b) if the item is not grown, reprocessed, reused, or produced in the United States.

(b) COVERED ITEMS.—An item referred to in subsection (a) is any of the following:

(1) An article or item of—

(A) * * *

(B) clothing *and the materials and components thereof*;

* * * * * * *

(2) Specialty metals, including stainless steel flatware *and any specialty metal that may be part of another item*.

* * * * * * *

(c) AVAILABILITY EXCEPTION.—Subsection (a) does not apply to the extent that the Secretary of Defense [or the Secretary of the military department concerned] determines that satisfactory quality and sufficient quantity of any such article or item described in subsection (b)(1) or specialty metals (including stainless steel flatware) grown, reprocessed, reused, or produced in the United States cannot be procured as and when needed at United States market

prices. *For each such determination, the Secretary of Defense shall notify Congress in writing of the factors supporting the determination. The Secretary of Defense or the Secretary of the military department concerned may not procure specialty metals pursuant to the exception authorized by this subsection until the Secretary submits to Congress and publishes in the Federal Register notice of the determination made under this subsection and a period of 15 days expires after the date such notification is submitted.*

* * * * * * *

(e) EXCEPTION FOR [SPECIALTY METALS AND] CHEMICAL WARFARE PROTECTIVE CLOTHING.—Subsection (a) does not preclude the procurement of [specialty metals or] chemical warfare protective clothing produced outside the United States if—

(1) * * *

* * * * * * *

(i) EXCEPTION FOR COMMERCIAL ITEMS CONTAINING SPECIALTY METALS.—

(1) IN GENERAL.—Subsection (a) does not apply to the procurement of a commercial item containing specialty metals if—

(A) the contractor agrees to comply with the requirement set forth in paragraph (2); or

(B) the Secretary of Defense determines in writing that the Department of Defense's need for the commercial item containing specialty metal is of such an unusual and compelling urgency that the United States would be seriously injured unless the Department is permitted to procure the item containing specialty metal from outside the United States.

(2) REQUIREMENT TO PURCHASE EQUIVALENT AMOUNT OF DOMESTIC METAL.—For purposes of paragraph (1)(A), the requirement set forth in this paragraph is that the contractor for each contract entered into by the Secretary for the procurement of a commercial item containing specialty metal agrees to purchase, over the 18-month period beginning on the date of award of the contract, an amount of specialty metal that is—

(A) produced, including such functions as melting and smelting, in the United States; and

(B) equivalent to—

(i) the amount of specialty metal (measured by factors including volume, type, and grade) purchased to carry out the work under the contract (including the work under each subcontract at any tier under the contract); plus

(ii) 10 percent of the amount referred to in clause (i).

(3) RELATIONSHIP TO OTHER EXCEPTIONS.—The exceptions under subsections (c), (d), and (h) of this section shall not apply to the procurement of a commercial item containing specialty metals.

(4) NOTICE TO CONGRESS.—The Secretary of Defense shall not enter into a contract to procure a commercial item containing specialty metal pursuant to the exception in subsection (a) until Congress is notified that the Secretary has applied the

exception and a period of 15 days has expired after such notification is made.

(5) NOTICE TO INDUSTRY.—The Secretary of Defense shall publish a notice in the Federal Register on the method that the Department of Defense will use to measure an equivalent amount of specialty metal for purposes of this subsection. Such a method shall consider factors such as volume, type, and grade of specialty metal that otherwise would be produced from United States sources.

[(i)**]** *(j)* APPLICABILITY TO CONTRACTS AND SUBCONTRACTS FOR PROCUREMENT OF COMMERCIAL ITEMS.—This section is applicable to contracts and subcontracts for the procurement of commercial items notwithstanding section 34 of the Office of Federal Procurement Policy Act (41 U.S.C. 430).

[(j)**]** *(k)* GEOGRAPHIC COVERAGE.—In this section, the term "United States" includes the possessions of the United States.

(l) AUTHORITY NOT DELEGABLE.—The Secretary may not delegate any authority under this section to anyone other than the Under Secretary of Defense for Acquisition, Technology, and Logistics.

§ 2534. Miscellaneous limitations on the procurement of goods other than United States goods

(a) LIMITATION ON CERTAIN PROCUREMENTS.—The Secretary of Defense may procure any of the following items only if the manufacturer of the item satisfies the requirements of subsection (b):

(1) * * *

* * * * * * *

(6) Fuzes used for ordnance.

(7) Microwave power tubes or traveling wave tubes.

(8) PAN carbon fiber.

(9) Aircraft tires.

(10) Ground vehicle tires.

(11) Tank track assemblies.

(12) Tank track components.

(13) Packaging in direct contact with meals within meals ready-to-eat listed in Federal Supply Class 8970.

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(d) WAIVER AUTHORITY.—The Secretary of Defense may waive the limitation in subsection (a) with respect to the procurement of an item listed in that subsection if the Secretary determines *in writing* that any of the following apply:

[(1) Application of the limitation would cause unreasonable costs or delays to be incurred.

[(2) United States producers of the item would not be jeopardized by competition from a foreign country, and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

[(3) Application of the limitation would impede cooperative programs entered into between the Department of Defense and a foreign country, or would impede the reciprocal procurement of defense items under a memorandum of understanding providing for reciprocal procurement of defense items that is en-

tered into under section 2531 of this title, and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.]

(1) The Department of Defense's need for the item is of such an unusual and compelling urgency that the United States would be seriously injured unless the Department is permitted to procure the item from sources outside the United States.

[(4)] *(2)* Satisfactory quality items manufactured by an entity that is part of the national technology and industrial base (as defined in section 2500(1) of this title) are not available.

[(5)] *(3)* Application of the limitation would result in the existence of only one source for the item that is an entity that is part of the national technology and industrial base (as defined in section 2500(1) of this title). *This exception shall not apply to items determined to be critical by the Secretary of Defense under section 812 of the National Defense Authorization Act for Fiscal Year 2004.*

[(6) The procurement is for an amount less than the simplified acquisition threshold and simplified purchase procedures are being used.

[(7) Application of the limitation is not in the national security interests of the United States.

[(8) Application of the limitation would adversely affect a United States company.]

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§ 2536. Award of certain contracts to entities controlled by a foreign government: prohibition

(a) * * *

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(b) WAIVER AUTHORITY.—(1) * * *

(2) The Secretary concerned shall [notify Congress] *maintain a record* of any decision to grant a waiver under paragraph (1)(B) with respect to a contract. [The contract may be awarded only after the end of the 45-day period beginning on the date the notification is received by the committees.] *The records maintained under the preceding sentence with respect to a waiver shall include a justification in suport of the decision to grant the waiver and shall be retrievable for any particular waiver or for waivers during any period of time.*

* * * * * * *

(d) The Secretary of Defense shall maintain an account of actions relating to the award of contracts to a prime contractor. The Secretary of Defense shall include in such accounts the reasons for exercising the awards and the work expected to be performed.

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SUBCHAPTER VII—CRITICAL INFRASTRUCTURE PROTECTION LOAN GUARANTEES

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§ 2541d. Reports

[(a) REPORT BY COMMERCIAL FIRMS TO SECRETARY OF DEFENSE.—]The Secretary of Defense shall require each qualified commercial firm for which a loan is guaranteed under this subchapter to submit to the Secretary a report on the improvements financed or refinanced with the loan. The report shall include an assessment of the value of the improvements for the protection of the critical infrastructure of that commercial firm. The Secretary shall prescribe the time for submitting the report.

[(b) ANNUAL REPORT BY SECRETARY OF DEFENSE TO CONGRESS.—Not later than March 1 of each year in which guarantees are made under this subchapter, the Secretary of Defense shall submit to Congress a report on the loan guarantee program under this subchapter. The report shall include the following:

[(1) The amounts of the loans for which guarantees were issued during the year preceding the year of the report.

[(2) The success of the program in improving the protection of the critical infrastructure of the commercial firms covered by the guarantees.

[(3) The relationship of the loan guarantee program to the critical infrastructure protection program of the Department of Defense, together with an assessment of the extent to which the loan guarantee program supports the critical infrastructure protection program.

[(4) Any other information on the loan guarantee program that the Secretary considers appropriate to include in the report.]

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CHAPTER 152—ISSUE OF SUPPLIES, SERVICES, AND FACILITIES

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§ 2561. Humanitarian assistance

(a) AUTHORIZED ASSISTANCE.—*(1)* To the extent provided in defense authorization Acts, funds authorized to be appropriated to the Department of Defense for a fiscal year for humanitarian assistance shall be used for the purpose of providing transportation of humanitarian relief and for other humanitarian purposes worldwide.

(2) The authority of the Department of Defense to provide humanitarian assistance under this section includes the authority to transport supplies or provide assistance intended for use to respond to, or mitigate the effects of, an event or condition, such as an oil spill, that threatens serious harm to the environment.

* * * * * * *

[(c) STATUS REPORTS.—(1) The Secretary of Defense shall submit to the congressional committees specified in subsection (f) an annual report on the provision of humanitarian assistance pursuant to this section for the prior fiscal year. The report shall be submitted each year at the time of the budget submission by the President for the next fiscal year.

[(2) Each report required by paragraph (1) shall cover all provisions of law that authorize appropriations for humanitarian assistance to be available from the Department of Defense for the purposes of this section.

[(3) Each report under this subsection shall set forth the following information regarding activities during the previous fiscal year:

[(A) The total amount of funds obligated for humanitarian relief under this section.

[(B) The number of scheduled and completed transportation missions for purposes of providing humanitarian assistance under this section.

[(C) A description of any transfer of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2557 of this title. The description shall include the date of the transfer, the entity to whom the transfer is made, and the quantity of items transferred.

[(d) REPORT REGARDING RELIEF FOR UNAUTHORIZED COUNTRIES.—In any case in which the Secretary of Defense provides for the transportation of humanitarian relief to a country to which the transportation of humanitarian relief has not been specifically authorized by law, the Secretary shall notify the congressional committees specified in subsection (f) and the Committees on Appropriations of the Senate and House of Representatives of the Secretary's intention to provide such transportation. The notification shall be submitted not less than 15 days before the commencement of such transportation.]

* * * * * * *

[(f) CONGRESSIONAL COMMITTEES.—The congressional committees referred to in subsections (c)(1) and (d) are the following:

[(1) The Committee on Armed Services and the Committee on Foreign Relations of the Senate.

[(2) The Committee on Armed Services and the Committee on International Relations of the House of Representatives.]

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§ 2563. Articles and services of industrial facilities: sale to persons outside the Department of Defense

(a) * * *

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(c) CONDITIONS FOR SALES.—(1) * * *

(2) The Secretary of Defense may waive the condition in paragraph (1)(A) and subsection (a)(1) that an article or service must be not available from a United States commercial source in the case of a particular sale if the Secretary determines that the waiver is necessary for reasons of national security [and notifies Congress regarding the reasons for the waiver].

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CHAPTER 153—EXCHANGE OF MATERIAL AND DISPOSAL OF OBSOLETE, SURPLUS, OR UNCLAIMED PROPERTY

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Sec.
2571. Interchange of property and services.

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[2581. Excess UH–1 Huey and AH–1 Cobra helicopters: requirements for transfer to foreign countries.]
2581. Specified excess aircraft: requirements for transfer to foreign countries.

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[§ 2581. Excess UH–1 Huey and AH–1 Cobra helicopters: requirements for transfer to foreign countries]

§ 2581. Specified excess aircraft: requirements for transfer to foreign countries

(a) REQUIREMENTS.—(1) Before an excess [UH–1 Huey helicopter or AH–1 Cobra helicopter] *UH–1 Huey aircraft, AH–1 Cobra aircraft, T–2 Buckeye aircraft, or T–37 Tweet aircraft* is transferred on a grant or sales basis to a foreign country for the purpose of flight operations by that country, the Secretary of Defense shall make all reasonable efforts to ensure that the [helicopter] *aircraft* receives, to the extent necessary, maintenance and repair equivalent to the depot-level maintenance and repair (as defined in section 2460 of this title) that the [helicopter] *aircraft* would need were the [helicopter] *aircraft* to remain in operational use with the armed forces. Any such maintenance and repair work shall be performed at no cost to the Department of Defense.

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CHAPTER 155—ACCEPTANCE OF GIFTS AND SERVICES

Sec.
2601. General gift funds.

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2611. Asia-Pacific Center for Security Studies: acceptance of [foreign] gifts and donations.

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§ 2611. Asia-Pacific Center for Security Studies: acceptance of [foreign] gifts and donations

(a) AUTHORITY TO ACCEPT [FOREIGN] GIFTS AND DONATIONS.—(1) Subject to subsection (b), the Secretary of Defense may accept, on behalf of the Asia-Pacific Center, [foreign] gifts or donations in order to defray the costs of, or enhance the operation of, the Asia-Pacific Center. *Such gifts and donations may be accepted from any agency of the United States, any State or local government, any foreign government, any foundation or other charitable organization (including any that is organized or operates under the laws of a foreign country), or any other private source in the United States or a foreign country.*

* * * * * * *

(c) CRITERIA FOR ACCEPTANCE.—The Secretary shall prescribe written guidance setting forth the criteria to be used in determining whether the acceptance of a [foreign] gift or donation would have a result described in subsection (b).

* * * * * * *

(f) [FOREIGN] GIFT OR DONATION DEFINED.—For purposes of this section, a [foreign] gift or donation is a gift or donation of funds, materials (including research materials), property, or services (including lecture services and faculty services) [from a foreign government, a foundation or other charitable organization in a foreign country, or an individual in a foreign country].

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CHAPTER 157—TRANSPORTATION

Sec.
2631. Supplies: preference to United States vessels.

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2648. Dependents of members assigned to overseas duty locations for continuous period in excess of one year: space-available transportation.

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§ 2634. Motor vehicles: transportation or storage for members on change of permanent station or extended deployment

(a) * * *

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(h) In the case of a change of permanent station described in subparagraph (A) or (B) of subsection (i)(1), the Secretary concerned may authorize the member to arrange for the shipment of the motor vehicle in lieu of transportation at the expense of the United States under this section. The Secretary concerned may pay the member a monetary allowance in lieu of transportation, as established under section 404(d)(1) of title 37, and the member shall be responsible for any transportation costs in excess of such allowance.

[(h)] *(i)* In this section:

(1) * * *

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§ 2645. Indemnification of Department of Transportation for losses covered by vessel war risk insurance

(a) * * *

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[(d) NOTICE TO CONGRESS.—In the event of a loss that is covered by vessel war risk insurance in the case of an incident in which the covered loss is (or is expected to be) in an amount in excess of $1,000,000, the Secretary of Defense shall submit to Congress—

[(1) notification of the loss as soon after the occurrence of the loss as possible and in no event more than 30 days after the date of the loss; and

[(2) semiannual reports thereafter updating the information submitted under paragraph (1) and showing with respect to losses arising from such incident the total amount expended to cover such losses, the source of such funds, pending litigation, and estimated total cost to the Government.]

* * * * * * *

[(g) ANNUAL REPORT ON CONTINGENT LIABILITIES.—Not later than March 1 of each year, the Secretary of Defense shall submit to Congress a report setting forth the current amount of the contingent outstanding liability of the United States under the vessel war risk insurance program under title XII of the Merchant Marine Act, 1936 (46 U.S.C. App. 1281 et seq.).]

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§ 2648. Dependents of members assigned to overseas duty locations for continuous period in excess of one year: space-available transportation

(a) AUTHORITY.—The Secretary of Defense shall authorize travel on Government aircraft on a space-available basis for dependents of members on active duty assigned to duty at an overseas location as described in subsection (b) to the same extent as such travel is authorized for a dependent of a member assigned to that duty location in a permanent change of station status.

(b) DUTY STATUS COVERED.—Duty at an overseas location described in this subsection is duty for a continuous period in excess of one year that is in a temporary duty status or that is in a permanent duty status without change of station.

(c) TYPES OF TRANSPORTATION AUTHORIZED.—If authorized for other members at that duty location, travel provided under this section may include (1) travel between the overseas duty location and the United States and return, and (2) travel between the overseas duty location and another overseas location and return.

(d) ALASKA AND HAWAII.—For purposes of this section, duty in Alaska or Hawaii shall be considered to be duty at an overseas location.

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CHAPTER 159—REAL PROPERTY; RELATED PERSONAL PROPERTY; AND LEASE OF NONEXCESS PROPERTY

Sec.
2661. Miscellaneous administrative provisions relating to real property.

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[2672. Acquisition: interests in land when cost is not more than $500,000.]
2672. Authority to acquire low-cost interests in land.

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[2679. Representatives of veterans' organizations: use of space and equipment.]
2679. Access to and use of space and equipment at military installations: representatives of veterans' organizations and other persons.

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2694b. Participation in wetland mitigation banks.

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§ 2662. Real property transactions: reports to congressional committees

(a) GENERAL NOTICE AND WAIT REQUIREMENTS.—The Secretary of a military department, or his designee, may not enter into any of the following listed transactions by or for the use of that department until after the expiration of [30 days from the date upon which a report of the facts concerning the proposed transaction is submitted] *14 days after the beginning of the month with respect*

to which a single report containing the facts concerning such transaction and all other such proposed transactions for that month is submitted, not later than the first day of that month, to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives:

(1) An acquisition of fee title to any real property, if the estimated price is more than [$500,000] *$1,500,000*.

(2) A lease of any real property to the United States, if the estimated annual rental is more than [$500,000] *$1,500,000*.

(3) A lease or license of real property owned by the United States, if the estimated annual fair market rental value of the property is more than [$500,000] *$1,500,000*.

(4) A transfer of real property owned by the United States to another Federal agency or another military department or to a State, if the estimated value is more than [$500,000] *$1,500,000*.

(5) A report of excess real property owned by the United States to a disposal agency, if the estimated value is more than [$500,000] *$1,500,000*.

* * * * * * *

(b) ANNUAL REPORTS ON CERTAIN MINOR TRANSACTIONS.—The Secretary of each military department shall submit annually to the congressional committees named in subsection (a) a report on transactions described in subsection (a) that involve an estimated value of [more than the simplified acquisition threshold specified in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)), but not more than $500,000] *more than $250,000 but not more than $1,500,000*.

* * * * * * *

(e) NOTICE AND WAIT REGARDING LEASES OF SPACE FOR DOD BY GSA.—No element of the Department of Defense shall occupy any general purpose space leased for it by the General Services Administration at an annual rental in excess of [$500,000] *$1,000,000* (excluding the cost of utilities and other operation and maintenance services), if the effect of such occupancy is to increase the total amount of such leased space occupied by all elements of the Department of Defense, until the expiration of [thirty days] *14 days* from the date upon which a report of the facts concerning the proposed occupancy is submitted to the congressional committees named in subsection (a).

* * * * * * *

(g) EXCEPTIONS FOR TRANSACTIONS FOR WAR AND CERTAIN EMERGENCY AND OTHER OPERATIONS.—(1) * * *

* * * * * * *

(3) Not later than [30 days] *14 days* after entering into a real property transaction covered by paragraph (1) or (2), the Secretary concerned shall submit to the committees named in subsection (a) a report on the transaction. The report shall set forth any facts or information which would otherwise have been submitted in a report on the transaction under subsection (a) or (e), as the case may be, but for the operation of paragraph (1) or (2).

* * * * * * *

§ 2667. Leases: non-excess property of military departments

(a) * * *

* * * * * * *

(h) In this [section:

[(1) The term "congressional defense committees" means:

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

[(B) The Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

[(2) The term "base closure law" means the following:

[(A) Section 2687 of this title.

[(B) 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).

[(C) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

[(3) The term] *section, the term* "military installation" has the meaning given such term in section 2687(e)(1) of this title.

* * * * * * *

§ 2667a. Leases: non-excess property of Defense agencies

(a) * * *

* * * * * * *

(c) COMPETITIVE SELECTION.—(1) * * *

(2) Not later than [45 days] *14 days* before entering into a lease described in paragraph (1), the Secretary shall submit to Congress a written notice describing the terms of the proposed lease and the competitive procedures used to select the lessee.

* * * * * * *

[§ 2672. Acquisition: interests in land when cost is not more than $500,000]

§ 2672. Authority to acquire low-cost interests in land

(a)(1) The Secretary of a military department may acquire any interest in land that—

(A) * * *

(B) does not cost more than [$500,000] *$1,500,000*, exclusive of administrative costs and the amounts of any deficiency judgments.

(2) This section does not apply to the acquisition, as a part of the same project, of more than one parcel of land unless the parcels are noncontiguous, or, if contiguous, unless the total cost is not more than [$500,000] *$1,500,000*.

* * * * * * *

§ 2672a. Acquisition: interests in land when need is urgent

(a) The Secretary of a military department may acquire any interest in land that—

(1) [he or his designee] *the Secretary* determines is needed in the interest of national defense;

* * * * * * *

(b) Appropriations available for military construction may be used for the purposes of this section. The authority to acquire an interest in land under this section includes authority to make surveys and acquire interests in land (including temporary use), by gift, purchase, exchange of land owned by the United States, or otherwise. [The Secretary of a military department contemplating action under this section shall provide notice, in writing, to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives at least 30 days in advance of any action being taken.]

(c) Not later than 10 days after the determination is made under subsection (a)(1) that acquisition of an interest in land is needed in the interest of the national defense, the Secretary of the military department making that determination shall provide to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives written notice containing a description of the property and interest to be acquired and the reasons for the acquisition.

* * * * * * *

§ 2674. Operation and control of Pentagon Reservation and defense facilities in National Capital Region

(a) * * *

* * * * * * *

(g) For purposes of subsections (b), (c), (d), and (e), the terms "Pentagon Reservation" and "National Capital Region" shall be treated as including the land and physical facilities at the Raven Rock Mountain Complex and such other areas of land, locations, and physical facilities of the Department of Defense within 100 miles of the District of Columbia as the Secretary of Defense determines are necessary to meet the needs of the Department of Defense directly relating to continuity of operations and continuity of government.

§ 2675. Leases: foreign countries

The Secretary of a military department may acquire by lease in foreign countries structures and real property relating to structures that are needed for military purposes other than for military family housing. A lease under this section may be for a period of up to five years, *or 15 years in the case of a lease in Korea,* and the rental for each yearly period may be paid from funds appropriated to that military department for that year.

§ 2676. Acquisition: limitation

(a) * * *

* * * * * * *

(d) The limitations on reduction in scope or increase in cost of a land acquisition in subsection (c) do not apply if the reduction in scope or the increase in cost, as the case may be, is approved by the Secretary concerned and a written notification of the facts re-

lating to the proposed reduced scope or increased cost (including a statement of the reasons therefor) is submitted by the Secretary concerned to the appropriate committees of Congress. A contract for the acquisition may then be awarded only after a period of [21 days] *14 days* elapses from the date the notification is received by the committees.

* * * * * * *

[§ 2679. Representatives of veterans' organizations: use of space and equipment]

§ 2679. Access to and use of space and equipment at military installations: representatives of veterans' organizations and other persons

(a) *ACCESS BY REPRESENTATIVES OF VETERANS' ORGANIZATIONS.—(1)* Upon certification to the Secretary concerned by the Secretary of Veterans' Affairs, the Secretary concerned shall allow accredited, paid, full-time representatives of the organizations named in section 5902 of title 38, or of other organizations recognized by the Secretary of Veterans Affairs, to function on military installations under the jurisdiction of that Secretary concerned that are on land and from which persons are discharged or released from active duty.

[(b)] *(2)* The commanding officer of each of those military installations shall allow the representatives described in [subsection (a)] *paragraph (1)* to use available space and equipment at that installation.

[(c)] *(3)* The regulations prescribed to carry out this [section] *subsection* that are in effect on January 1, 1958, remain in effect until changed by joint action of the Secretary concerned and the Secretary of Veterans Affairs.

(b) ACCESS FOR PERSONAL COMMERCIAL SOLICITATION.—An amendment or other revision to a Department of Defense directive relating to access to military installations for the purpose of conducting limited personal commercial solicitation shall not take effect until the end of the 90-day period beginning on the date the Secretary of Defense submits to Congress notice of the amendment or revision and the reasons therefor.

[(d)] *(c)* This section does not authorize the violation of measures of military security.

§ 2680. Leases: land for special operations activities

(a) * * *

* * * * * * *

[(e) REPORTS.—Not later than March 1 of each year, 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 that—

[(1) identifies each leasehold interest acquired during the previous fiscal year under subsection (a); and

[(2) contains a discussion of each project for the construction or modification of facilities carried out pursuant to subsection (c) during such fiscal year.]

* * * * * * *

§ 2688. Utility systems: conveyance authority

(a) * * *

* * * * * * *

(e) NOTICE-AND-WAIT REQUIREMENT.—The Secretary concerned may not make a conveyance under subsection (a) until—

(1) the Secretary submits to [the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on Armed Services and the Committee on Appropriations of the House of Representatives] *the congressional defense committees* an economic analysis (based upon accepted life-cycle costing procedures approved by the Secretary of Defense) demonstrating that—

(A) * * *

* * * * * * *

§ 2694b. Participation in wetland mitigation banks

(a) AUTHORITY TO PARTICIPATE.—The Secretary of a military department, and the Secretary of Defense with respect to matters concerning a Defense Agency, when engaged in an authorized activity that may or will result in the destruction of, or an adverse impact to, a wetland, may make payments to a wetland mitigation banking program or "in-lieu-fee" mitigation sponsor approved in accordance with the Federal Guidance for the Establishment, Use and Operation of Mitigation Banks (60 Fed. Reg. 58605; November 28, 1995) or the Federal Guidance on the Use of In-Lieu-Fee Arrangements for Compensatory Mitigation Under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act (65 Fed. Reg. 66913; November 7, 2000), or any successor administrative guidance.

(b) ALTERNATIVE TO CREATION OF WETLAND.—Participation in a wetland mitigation banking program or consolidated user site under subsection (a) shall be in lieu of mitigating wetland impacts through the creation of a wetland on Federal property.

(c) TREATMENT OF PAYMENTS.—Payments made under subsection (a) to a wetland mitigation banking program or consolidated user site may be treated as eligible project costs for military construction.

* * * * * * *

§ 2696. Screening of real property for further Federal use before conveyance

(a) * * *

* * * * * * *

[(c) NOTICE OF FURTHER FEDERAL USE.—If the Administrator of General Services notifies the Secretary concerned under subsection (b) that further Federal use of a parcel of real property authorized or required to be conveyed by any provision of law is requested by a Federal agency, the Secretary concerned shall submit a copy of the notice to Congress.

[(d) CONGRESSIONAL DISAPPROVAL.—If the Secretary concerned submits a notice under subsection (c) with regard to a parcel of real property, the Secretary concerned may not proceed with the con-

veyance of the real property as provided in the provision of law authorizing or requiring the conveyance if Congress enacts a law rescinding the conveyance authority or requirement before the end of the 180-day period beginning on the date on which the Secretary concerned submits the notice.]

(e) EXCEPTED CONVEYANCE AUTHORITIES.—The screening requirements of this section shall not apply to real property authorized or required to be conveyed under any of the following provisions of law:

[(1) Section 2687 of this title.

[(2) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

[(3) 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).

[(4) Any provision of law authorizing the closure or realignment of a military installation that is enacted after November 18, 1997.]

(1) A base closure law.

[(6)] *(2)* Any specific provision of law authorizing or requiring the transfer of administrative jurisdiction over a parcel of real property between Federal agencies.

* * * * * * *

CHAPTER 160—ENVIRONMENTAL RESTORATION

* * * * * * *

§ 2703. Environmental restoration accounts

(a) * * *

* * * * * * *

(c) OBLIGATION OF AUTHORIZED AMOUNTS.—(1) * * *

(2) The authority provided by paragraph (1)(B) expires September 30, 2003. The Secretary of Defense or the Secretary of a military department may not pay the costs of permanently relocating a facility under such paragraph [unless the Secretary—

[(A) determines that] *unless the Secretary determines that* permanent relocation—

[(i)] *(A)* is the most cost effective method of responding to the release or threatened release of hazardous substances, pollutants, or contaminants from the real property on which the facility is located;

[(ii)] *(B)* has the approval of relevant regulatory agencies; and

[(iii)] *(C)* is supported by the affected community; and

[(B) submits to Congress written notice of the determination before undertaking the permanent relocation of the facility, including a description of the response action taken or to be taken in connection with the permanent relocation and a statement of the costs incurred or to be incurred in connection with the permanent relocation.]

* * * * * * *

§ 2705. Notice of environmental restoration activities

(a) * * *

* * * * * * *

(d) RESTORATION ADVISORY BOARD.—(1) * * *

(2)(A) * * *

* * * * * * *

(C) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to a restoration advisory board established under this subsection.

* * * * * * *

[(h) DEFINITION.—In this section, the term "base closure law" means the following:

[(1) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

[(2) 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).

[(3) Section 2687 of this title.]

* * * * * * *

CHAPTER 161—PROPERTY RECORDS AND REPORT OF THEFT OR LOSS OF CERTAIN PROPERTY

Sec.
2721. Property records: maintenance on quantitative and monetary basis.

* * * * * * *

[2723. Notice to congressional committees of certain security and counterintelligence failures within defense programs.]

* * * * * * *

[§ 2723. Notice to congressional committees of certain security and counterintelligence failures within defense programs

[(a) REQUIRED NOTIFICATION.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a notification of each security or counterintelligence failure or compromise of classified information relating to any defense operation, system, or technology of the United States that the Secretary considers likely to cause significant harm or damage to the national security interests of the United States. The Secretary shall consult with the Director of Central Intelligence and the Director of the Federal Bureau of Investigation, as appropriate, before submitting any such notification.

[(b) MANNER OF NOTIFICATION.—Notification of a failure or compromise of classified information under subsection (a) shall be provided, in accordance with the procedures established pursuant to subsection (c), not later than 30 days after the date on which the Department of Defense determines that the failure or compromise has taken place.

[(c) PROCEDURES.—The Secretary of Defense and the Committees on Armed Services of the Senate and House of Representatives shall each establish such procedures as may be necessary to protect

from unauthorized disclosure classified information, information relating to intelligence sources and methods, and sensitive law enforcement information that is submitted to those committees pursuant to this section and that are otherwise necessary to carry out the provisions of this section.

[(d) STATUTORY CONSTRUCTION.—(1) Nothing in this section shall be construed as authority to withhold any information from the Committees on Armed Services of the Senate and House of Representatives on the grounds that providing the information to those committees would constitute the unauthorized disclosure of classified information, information relating to intelligence sources and methods, or sensitive law enforcement information.

[(2) Nothing in this section shall be construed to modify or supersede any other requirement to report information on intelligence activities to the Congress, including the requirement under section 501 of the National Security Act of 1947 (50 U.S.C. 413).]

* * * * * * *

CHAPTER 169—MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING

* * * * * * *

SUBCHAPTER I—MILITARY CONSTRUCTION

Sec.
2801. Scope of chapter; definitions.

* * * * * * *

2810. Use of operation and maintenance funds for construction: notification and reporting requirements and limitations.

* * * * * * *

§ 2801. Scope of chapter; definitions

(a) * * *

* * * * * * *

(c) In this chapter:

(1) * * *

* * * * * * *

(4) The term "appropriate committees of Congress" means the [Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on Armed Services and the Committee on Appropriations of the House of Representatives] *the congressional defense committees* and, with respect to any project to be carried out by, or for the use of, an intelligence component of the Department of Defense, the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

* * * * * * *

§ 2803. Emergency construction

(a) * * *

(b) When a decision is made to carry out a military construction project under this section, the Secretary concerned shall sub-

mit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include (1) the justification for the project and the current estimate of the cost of the project, (2) the justification for carrying out the project under this section, and (3) a statement of the source of the funds to be used to carry out the project. The project may then be carried out only after the end of the [21-day period] *seven-day period* beginning on the date the notification is received by such committees.

(c)(1) The maximum amount that the Secretary concerned may obligate in any fiscal year under this section is [$30,000,000] *$45,000,000*.

* * * * * * *

§ 2804. Contingency construction

(a) * * *

(b) When a decision is made to carry out a military construction project under this section, the Secretary of Defense shall submit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include (1) the justification for the project and the current estimate of the cost of the project, and (2) the justification for carrying out the project under this section. The project may then be carried out only after the end of the [21-day period] *14–day period* beginning on the date the notification is received by such committees.

§ 2805. Unspecified minor construction

(a) * * *

(b)(1) An unspecified minor military construction project costing more than [$750,000] *$1,000,000* may not be carried out under this section unless approved in advance by the Secretary concerned. This paragraph shall apply even though the project is to be carried out using funds made available to enhance the deployment and mobility of military forces and supplies.

(2) When a decision is made to carry out an unspecified minor military construction project to which paragraph (1) is applicable, the Secretary concerned shall notify in writing the appropriate committees of Congress of that decision, of the justification for the project, and of the estimated cost of the project. The project may then be carried out only after the end of the [21-day period] *seven-day period* beginning on the date the notification is received by the committees.

* * * * * * *

§ 2807. Architectural and engineering services and construction design

(a) * * *

(b) In the case of architectural and engineering services and construction design to be undertaken under subsection (a) for which the estimated cost exceeds [$500,000] *$1,000,000*, the Secretary concerned shall notify the appropriate committees of Congress of the scope of the proposed project and the estimated cost of such services [not less than 21 days] before the initial obligation of funds for such services.

(c) If the Secretary concerned determines that the amount authorized for activities under subsection (a) in any fiscal year must be increased the Secretary may proceed with activities at such higher level (1) after submitting a report in writing to the appropriate committees of Congress on such increase, including a statement of the reasons for the increase and a statement of the source of funds to be used for the increase, and (2) after a period of [21] *14* days has elapsed from the date of receipt of the report.

* * * * * * *

§ 2809. Long-term facilities contracts for certain activities and services

(a) * * *

* * * * * * *

(f) NOTICE AND WAIT REQUIREMENTS.—A contract may not be entered into under this section until—

(1) * * *

(2) a period of [21 calendar days] *14 days* has expired following the date on which the justification and the economic analysis are received by the committees.

§ 2810. Use of operation and maintenance funds for construction: notification and reporting requirements and limitations

(a) ADVANCE NOTIFICATION OF OBLIGATION OF FUNDS.—(1) The Secretary concerned shall submit to the appropriate committees of Congress advance written notice before appropriations available for operation and maintenance are obligated for construction described in paragraph (2). The notice shall be submitted not later than 14 days before the date on which appropriations available for operation and maintenance are first obligated for that construction and shall contain the information required by subsection (c).

(2) Paragraph (1) applies with respect to any construction having an estimated total cost of more than $1,500,000, but not more than $5,000,000, which is paid for in whole or in part using appropriations available for operation and maintenance, if—

(A) the construction is necessary to meet urgent military operational requirements of a temporary nature;

(B) the construction was not carried out at a military installation where the United States is reasonably expected to have a long-term interest or presence;

(C) the United States has no intention of using the construction after the operational requirement has been satisfied; and

(D) the level of construction is the minimum necessary to meet the temporary operational need.

(b) WAIVER AUTHORITY; CONGRESSIONAL NOTIFICATION.—(1) The Secretary concerned may waive the advance notice requirement under subsection (a) on a case-by-case basis if the Secretary determines that—

(A) the project is vital to the national security or to the protection of health, safety, or the quality of the environment; and

(B) the requirement for the construction is so urgent that deferral of the construction during the period specified in sub-

section (a)(1) would be inconsistent with national security or the protection of health, safety, or environmental quality, as the case may be.

(2) Not later than five days after the date on which a waiver is granted under paragraph (1), the Secretary concerned shall provide to the appropriate committees of Congress written notice containing the reasons for the waiver and the information required by subsection (c) with regard to the construction for which the waiver was granted.

(c) CONTENT OF NOTICE.—The notice provided under subsection (a) or (b) with regard to construction funded using appropriations available for operation and maintenance shall include the following:

(1) A description of the purpose for which the funds are being obligated.

(2) An estimate of the total amount to be obligated for the construction.

(3) The reasons appropriations available for operation and maintenance are being used.

(d) LIMITATIONS ON USE OF OPERATION AND MAINTENANCE FUNDS.—(1) The Secretary concerned shall not use appropriations available for operation and maintenance to carry out any construction having an estimated total cost of more than $5,000,000.

(2) The total cost of construction carried out by the Secretaries concerned in whole or in part using appropriations available for operation and maintenance shall not exceed $200,000,000 in any fiscal year.

(e) QUARTERLY REPORT.—The Secretary concerned shall submit to the appropriate committees of Congress a quarterly report on the worldwide obligation and expenditure of appropriations available for operation and maintenance by the Secretary concerned for construction during the preceding quarter.

* * * * * * *

§ 2812. Lease-purchase of facilities

(a) * * *

* * * * * * *

(c)(1) The Secretary concerned may not enter into a lease under this section until—

(A) * * *

(B) a period of [21] *14* days has expired following the date on which the justification and economic analysis are received by the committees.

* * * * * * *

§ 2813. Acquisition of existing facilities in lieu of authorized construction

(a) * * *

* * * * * * *

(c) NOTICE AND WAIT REQUIREMENTS.—A contract may not be entered into for the acquisition of a facility under subsection (a) until the end of the [30-day period] *21–day period* beginning on the date the Secretary concerned transmits to the appropriate committees of Congress a written notification of the determination to

acquire an existing facility instead of carrying out the authorized military construction project. The notification shall include the reasons for acquiring the facility.

§ 2814. Special authority for development of Ford Island, Hawaii

(a) * * *

* * * * * * *

(i) USE OF ACCOUNT.—(1) * * *

* * * * * * *

[(3)(A) The Secretary may transfer funds from the Ford Island Improvement Account to the following funds:

[(i) The Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of this title.

[(ii) The Department of Defense Military Unaccompanied Housing Improvement Fund established by section 2883(a)(2) of this title.]

(A) The Secretary may transfer funds from the Ford Island Improvement Account to the Department of Defense Housing Improvement Fund established by section 2883(a) of this title.

(B) Amounts transferred under subparagraph (A) to [a fund] *the Fund* referred to in that subparagraph shall be available in accordance with the provisions of section 2883 of this title for activities authorized under subchapter IV of this chapter at Ford Island.

* * * * * * *

SUBCHAPTER II—MILITARY FAMILY HOUSING

* * * * * * *

§ 2822. Requirement for authorization of number of family housing units

(a) * * *

(b) Subsection (a) does not apply to the following:

(1) * * *

* * * * * * *

(6) Housing units constructed or provided under section 2869 of this title.

* * * * * * *

§ 2825. Improvements to family housing units

(a) * * *

(b)(1) Funds may not be expended for the improvement of any single family housing unit, or for the improvement of two or more housing units that are to be converted into or are to be used as a single family housing unit, if the cost per unit of such improvement will exceed (A) $50,000 multiplied by the area construction cost index as developed by the Department of Defense for the location concerned at the time of contract award, or (B) in the case of improvements necessary to make the unit suitable for habitation by a handicapped person, $60,000 multiplied by such index. The Secretary concerned may waive the limitations contained in the preceding sentence if (i) such Secretary determines that, considering

the useful life of the structure to be improved and the useful life of a newly constructed unit and the cost of construction and of operation and maintenance of each kind of unit over its useful life, the improvement will be cost-effective, and (ii) a period of [21] *14* days elapses after the date on which the appropriate committees of Congress receive a notice from such Secretary of the proposed waiver, together with an economic analysis demonstrating that the improvement will be cost effective.

* * * * * * *

(c)(1) The Secretary concerned may construct replacement military family housing units in lieu of improving existing military family housing units if—

(A) * * *

* * * * * * *

(D) a period of [21] *14* days elapses after the date on which the Secretary submits the notice required by subparagraph (C).

* * * * * * *

§ 2826. Military family housing: local comparability of room patterns and floor areas

[(a) LOCAL COMPARABILITY.—]In the construction, acquisition, and improvement of military family housing, the Secretary concerned shall ensure that the room patterns and floor areas of military family housing in a particular locality (as designated by the Secretary concerned for purposes of this section) are similar to room patterns and floor areas of similar housing in the private sector in that locality.

[(b) REQUESTS FOR AUTHORITY FOR MILITARY FAMILY HOUSING.—(1) In submitting to Congress a request for authority to carry out the construction, acquisition, or improvement of military family housing, the Secretary concerned shall include in the request information on the net floor area of each unit of military family housing to be constructed, acquired, or improved under the authority.

[(2) In this subsection, the term "net floor area", in the case of a military family housing unit, means the total number of square feet of the floor space inside the exterior walls of the unit, excluding the floor area of an unfinished basement, an unfinished attic, a utility space, a garage, a carport, an open or insect-screened porch, a stairwell, and any space used for a solar-energy system.]

§ 2827. Relocation of military family housing units

(a) * * *

(b) A contract to carry out a relocation of military family housing units under subsection (a) may not be awarded until (1) the Secretary concerned has notified the appropriate committees of Congress of the proposed new locations of the housing units to be relocated and the estimated cost of and source of funds for the relocation, and (2) a period of [21] *14* days has elapsed after the notification has been received by those committees.

§ 2828. Leasing of military family housing

(a) * * *

* * * * * * *

(d)(1) Leases of housing units in foreign countries under subsection (c) for assignment as family housing may be for any period not in excess of **[**ten years,**]** *10 years, or 15 years in the case of leases in Korea,* and the costs of such leases for any year may be paid out of annual appropriations for that year.

* * * * * * *

(e)(1) * * *

(2) In addition to the 450 units of family housing referred to in paragraph (1) for which the maximum lease amount is $25,000 per unit per year, the Secretary of the Navy may lease not more than **[**2,000**]** *2,800* units of family housing in Italy, and the Secretary of the Army may lease not more than 500 units of family housing in Italy, subject to that maximum lease amount.

* * * * * * *

§ 2836. Military housing rental guarantee program

(a) * * *

* * * * * * *

(f) NOTICE AND WAIT REQUIREMENTS.—An agreement may not be entered into under subsection (a) until—

(1) * * *

(2) a period of **[**21**]** *14* calendar days has expired following the date on which the economic analysis is received by those committees.

* * * * * * *

§ 2837. Limited partnerships with private developers of housing

(a) * * *

* * * * * * *

(c) SELECTION OF INVESTMENT OPPORTUNITIES.—(1) * * *

(2) When a decision is made to enter into a limited partnership under subsection (a), the Secretary concerned shall submit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include the justification for the limited partnership, the terms and conditions of the limited partnership, a description of the development costs for projects under the limited partnership, and a description of the share of such costs to be incurred by the Secretary concerned. The Secretary concerned may then enter into the limited partnership only after the end of the **[**21-day period**]** *14–day period* beginning on the date the report is received by such committees.

* * * * * * *

SUBCHAPTER III—ADMINISTRATION OF MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING

Sec.
2851. Supervision of military construction projects.

* * * * * * *

[2859. Transmission of annual military construction authorization request.]

* * * * * * *

2869. Conveyance of property at military installations closed or to be closed in exchange for military construction activities.

* * * * * * *

§ 2854. Restoration or replacement of damaged or destroyed facilities

(a) * * *

(b) When a decision is made to carry out construction under this section and the cost of the repair, restoration, or replacement is greater than the maximum amount for a minor construction project, the Secretary concerned shall notify in writing the appropriate committees of Congress of that decision, of the justification for the project, of the current estimate of the cost of the project, of the source of funds for the project, and of the justification for carrying out the project under this section. The project may then be carried out only after the end of the [21-day period] *seven-day period* beginning on the date the notification is received by such committees.

§ 2854a. Conveyance of damaged or deteriorated military family housing; use of proceeds

(a) * * *

* * * * * * *

(c) NOTICE AND WAIT REQUIREMENTS.—The Secretary concerned may not enter into an agreement to convey a family housing facility under this section until—

(1) * * *

(2) a period of [21 calendar days] *14 days* has elapsed after the date on which the justification is received by the committees.

* * * * * * *

§ 2855. Law applicable to contracts for architectural and engineering services and construction design

(a) * * *

(b)(1) * * *

(2) The initial threshold amount under paragraph (1) is [$85,000] *$300,000*. The Secretary of Defense may revise that amount in order to ensure that small business concerns receive a reasonable share of contracts referred to in subsection (a).

* * * * * * *

(4) The selection and competition requirements described in subsection (a) shall apply to any contract for architectural and engineering services (including surveying and mapping services) that is

entered into by the head of an agency (as such term is defined in section 2302 of this title).

* * * * * * *

[§ 2859. Transmission of annual military construction authorization request

[The Secretary of Defense shall transmit to Congress the annual request for military construction authorization for a fiscal year during the first 10 days after the President transmits to Congress the Budget for that fiscal year pursuant to section 1105 of title 31.]

* * * * * * *

§ 2865. Energy savings at military installations

(a) * * *

(b) USE OF ENERGY COST SAVINGS.—(1) [Two-thirds of the portion of the funds appropriated to the Department of Defense for a fiscal year that is] *Funds appropriated to the Department of Defense for a fiscal year that are* equal to the amount of energy cost savings realized by the Department, including financial benefits resulting from shared energy savings contracts, shall remain available for obligation under paragraph (2) until expended, without additional authorization or appropriation.

* * * * * * *

(e) ENERGY CONSERVATION CONSTRUCTION PROJECTS.—[(1)] The Secretary of Defense may carry out a military construction project for energy conservation, not previously authorized, using funds appropriated or otherwise made available for that purpose.

[(2) When a decision is made to carry out a project under paragraph (1), the Secretary of Defense shall notify in writing the appropriate committees of Congress of that decision. 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 such committees.

[(f) ANNUAL REPORT.—Not later than December 31 of each year, the Secretary of Defense shall transmit an annual report to the Congress containing a description of the actions taken to carry out this section, and the savings realized from such actions, during the fiscal year ending in the year in which the report is made. The Secretary shall also include in each report the types and amount of financial incentives received under subsection (d)(2) and section 2866(a)(2) of this title during the period covered by the report and the appropriation account or accounts to which the incentives were credited.]

§ 2866. Water conservation at military installations

(a) * * *

* * * * * * *

(c) WATER CONSERVATION CONSTRUCTION PROJECTS.—[(1)] The Secretary of Defense may carry out a military construction project for water conservation, not previously authorized, using funds appropriated or otherwise made available to the Secretary for water conservation.

[(2) When a decision is made to carry out a project under paragraph (1), the Secretary of Defense shall notify the appropriate committees of Congress of that decision. Such project may be carried out only after the end of the 21-day period beginning on the date the notification is received by such committees.]

§ 2867. Sale of electricity from alternate energy and cogeneration production facilities

(a) * * *

* * * * * * *

(c) Before carrying out a military construction project described in subsection (b) using proceeds from sales under subsection (a), the Secretary concerned shall notify Congress in writing of the project, the justification for the project, and the estimated cost of the project. The project may be carried out only after the end of the [21-day period] *14–day period* beginning on the date the notification is received by Congress.

* * * * * * *

§ 2869. Conveyance of property at military installations closed or to be closed in exchange for military construction activities

(a) CONVEYANCE AUTHORIZED; CONSIDERATION.—The Secretary of Defense may enter into an agreement to convey real property, including any improvements thereon, located on a military installation that is closed or realigned under a base closure law to any person who agrees, in exchange for the real property—

(1) to carry out, or provide services in connection with, an authorized military construction project; or

(2) to transfer to the Secretary of Defense housing that is constructed or provided by the person and located at or near a military installation at which there is a shortage of suitable military family housing or military unaccompanied housing (or both).

(b) CONDITIONS ON CONVEYANCE AUTHORITY.—A conveyance of real property may be made under subsection (a) only if—

(1) the fair market value of the consideration to be received in exchange for the real property conveyed under subsection (a) is equal to or greater than the fair market value of the property, including any improvements thereon, as determined by the Secretary concerned; and

(2) in the event the fair market value of the consideration to be received is equal to at least 90 percent, but less than 100 percent, of the fair market value of the real property to be conveyed, including any improvements thereon, the recipient of the property agrees to pay to the Secretary of Defense an amount equal to the difference in the fair market values.

(c) USE OF AUTHORITY.—(1) To the maximum extent practicable, the Secretary of Defense shall use the authority provided by subsection (a) to convey at least 20 percent of the total acreage conveyed each fiscal year at military installations closed or realigned under the base closure laws. Notice of the proposed use of this authority shall be provided in such manner as the Secretary may prescribe, including publication in the Federal Register and otherwise.

In determining such total acreage for a fiscal year, the Secretary shall exclude real property identified in a redevelopment plan as property essential to the reuse or redevlopment of a military installation closed or to be closed under a base closure law.

(2) To the maximum extent practicable, the Secretary of Defense shall endeavor to use the authority provided by subsection (a) to obtain military construction and military housing services having a total value of at least $200,000,000 each fiscal year for each of the military departments.

(3) The Secretary concerned shall utilize the authority provided in subsection (a) in lieu of obligating and expending funds appropriated for military construction and military housing projects that are authorized by law.

(d) DEPOSIT OF FUNDS.—The Secretary of Defense may deposit funds received under subsection (b)(2) in the Department of Defense Housing Improvement Fund established under section 2883(a) of this title.

(e) ANNUAL REPORT.—The Secretary of Defense shall include each year in the materials that the Secretary submits to Congress in support of the budget submitted by the President pursuant to section 1105 of title 31 a report detailing the extent to which the Secretary used the authority provided by subsection (a) to convey real property in exchange for military construction and military housing and plans for the use of such authority for the future. The report shall include the following:

(1) The total value of the real property that was actually conveyed during the preceding fiscal year using the authority provided by subsection (a).

(2) The total value of the military construction and military housing services obtained in exchange, and, if the dollar goal specified in subsection (c)(2) was not achieved for a military department, an explanation regarding the reasons why the goal was not achieved.

(3) The current inventory of unconveyed lands at military installations closed or realigned under a base closure law.

(4) A description of the results of conveyances under subsection (a) during the preceding fiscal year and plans for such conveyances for the current fiscal year, the fiscal year covered by the budget, and the period covered by the current future-years defense program under section 221 of this title.

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of real property conveyed under subsection (a) shall be determined by surveys satisfactory to the Secretary of Defense.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of Defense may require such additional terms and conditions in connection with a conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SUBCHAPTER IV—ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING

Sec.
2871. Definitions.

* * * * * * *

[2883. Department of Defense Housing Funds.]
2883. Department of Defense Housing Improvement Fund.

* * * * * * *

§ 2871. Definitions

In this subchapter:

(1) * * *

[(2) The term "base closure law" means the following:

[(A) Section 2687 of this title.

[(B) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

[(C) 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).]

* * * * * * *

(6) The term "Fund" means the [Department of Defense Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund] *Department of Defense Housing Improvement Fund* established under section 2883(a) of this title.

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§ 2875. Investments

(a) * * *

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(e) CONGRESSIONAL NOTIFICATION REQUIRED.—Amounts in the [Department of Defense Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund] *Department of Defense Housing Improvement Fund* may be used to make a cash investment under this section in an eligible entity only after the end of the [30-day period] *14–day period* beginning on the date the Secretary of Defense submits written notice of, and justification for, the investment to the appropriate committees of Congress.

* * * * * * *

§ 2880. Unit size and type

(a) * * *

(b) INAPPLICABILITY OF LIMITATIONS ON SPACE BY PAY GRADE.—(1) * * *

(2) The regulations prescribed under section 2856 of this title shall not apply to any military unaccompanied housing unit acquired or constructed under this subchapter [unless the unit is located on a military installation].

* * * * * * *

[§ 2883. Department of Defense Housing Funds

[(a) ESTABLISHMENT.—There are hereby established on the books of the Treasury the following accounts:

[(1) The Department of Defense Family Housing Improvement Fund.

[(2) The Department of Defense Military Unaccompanied Housing Improvement Fund.

[(b) COMMINGLING OF FUNDS PROHIBITED.—(1) The Secretary of Defense shall administer each Fund separately.

[(2) Amounts in the Department of Defense Family Housing Improvement Fund may be used only to carry out activities under this subchapter with respect to military family housing.

[(3) Amounts in the Department of Defense Military Unaccompanied Housing Improvement Fund may be used only to carry out activities under this subchapter with respect to military unaccompanied housing.

[(c) CREDITS TO FUNDS.—(1) There shall be credited to the Department of Defense Family Housing Improvement Fund the following:

[(A) Amounts authorized for and appropriated to that Fund.

[(B) Subject to subsection (f), any amounts that the Secretary of Defense transfers, in such amounts as provided in appropriation Acts, to that Fund from amounts authorized and appropriated to the Department of Defense for the acquisition or construction of military family housing.

[(C) Proceeds from the conveyance or lease of property or facilities under section 2878 of this title for the purpose of carrying out activities under this subchapter with respect to military family housing.

[(D) Income derived from any activities under this subchapter with respect to military family housing, including interest on loans made under section 2873 of this title, income and gains realized from investments under section 2875 of this title, and any return of capital invested as part of such investments.

[(E) Any amounts that the Secretary of the Navy transfers to that Fund pursuant to section 2814(i)(3) of this title, subject to the restrictions on the use of the transferred amounts specified in that section.

[(2) There shall be credited to the Department of Defense Military Unaccompanied Housing Improvement Fund the following:

[(A) Amounts authorized for and appropriated to that Fund.

[(B) Subject to subsection (f), any amounts that the Secretary of Defense transfers, in such amounts as provided in appropriation Acts, to that Fund from amounts authorized and appropriated to the Department of Defense for the acquisition or construction of military unaccompanied housing.

[(C) Proceeds from the conveyance or lease of property or facilities under section 2878 of this title for the purpose of carrying out activities under this subchapter with respect to military unaccompanied housing.

[(D) Income derived from any activities under this subchapter with respect to military unaccompanied housing, including interest on loans made under section 2873 of this title, income and gains realized from investments under section 2875 of this title, and any return of capital invested as part of such investments.

[(E) Any amounts that the Secretary of the Navy transfers to that Fund pursuant to section 2814(i)(3) of this title, subject to the restrictions on the use of the transferred amounts specified in that section.]

§ 2883. Department of Defense Housing Improvement Fund

(a) ESTABLISHMENT.—There is hereby established on the books of the Treasury an account to be known as the Department of Defense Housing Improvement Fund (in this section referred to as the "Fund").

(b) CREDITS TO FUND.—There shall be credited to the Fund the following:

(1) Amounts authorized for and appropriated to the Fund.

(2) Subject to subsection (e), any amounts that the Secretary of Defense transfers, in such amounts as are provided for in appropriation Acts, to the Fund from amounts authorized and appropriated to the Department of Defense for the acquisition or construction of military family housing or military unaccompanied housing.

(3) Proceeds from the conveyance or lease of property or facilities under section 2878 of this title for the purpose of carrying out activities under this subchapter with respect to military family housing or military unaccompanied housing.

(4) Income derived from any activities under this subchapter with respect to military family housing or military unaccompanied housing, income and gains realized from investments under section 2875 of this title, and any return of capital invested as part of such investments.

(5) Any amounts that the Secretary of the Navy transfers to the Fund pursuant to section 2814(i)(3) of this title, subject to the restrictions on the use of the transferred amounts specified in that section.

(6) Any amounts that the Secretary concerned transfers to the Fund pursuant to section 2869 of this title.

[(d)] *(c)* USE OF AMOUNTS IN [FUNDS] *FUND*.—(1) In such amounts as provided in appropriation Acts and except as provided in subsection [(e)] *(d)*, the Secretary of Defense may use amounts in the [Department of Defense Family Housing Improvement] Fund to carry out activities under this subchapter with respect to military family housing, including activities required in connection with the planning, execution, and administration of contracts entered into under the authority of this subchapter. The Secretary may also use for expenses of activities required in connection with the planning, execution, and administration of such contracts funds that are otherwise available to the Department of Defense for such types of expenses.

[(2) In such amounts as provided in appropriation Acts and except as provided in subsection (e), the Secretary of Defense may use amounts in the Department of Defense Military Unaccompanied Housing Improvement Fund to carry out activities under this subchapter with respect to military unaccompanied housing, including activities required in connection with the planning, execution, and administration of contracts entered into under the authority of this subchapter. The Secretary may also use for expenses of activities required in connection with the planning, execution,

and administration of such contracts funds that are otherwise available to the Department of Defense for such types of expenses.]

[(3)] *(2)* Amounts made available under this subsection shall remain available until expended. The Secretary of Defense may transfer amounts made available under this subsection to the Secretaries of the military departments to permit such Secretaries to carry out the activities for which such amounts may be used.

[(e)] *(d)* LIMITATION ON OBLIGATIONS.—The Secretary may not incur an obligation under a contract or other agreement entered into under this subchapter in excess of the unobligated balance, at the time the contract is entered into, of the Fund required to be used to satisfy the obligation.

[(f)] *(e)* NOTIFICATION REQUIRED FOR TRANSFERS.—A transfer of appropriated amounts to [a Fund under paragraph (1)(B) or (2)(B) of subsection (c)] *the Fund under subsection (b)(2)* may be made only after the end of the [30-day period] *14–day period* beginning on the date the Secretary of Defense submits written notice of, and justification for, the transfer to the appropriate committees of Congress.

[(g)] *(f)* LIMITATION ON AMOUNT OF BUDGET AUTHORITY.—The total value in budget authority of all contracts and investments undertaken using the authorities provided in this subchapter shall not exceed—

(1) [$850,000,000] *$900,000,000* for the acquisition or construction of military family housing; and

* * * * * * *

§ 2884. Reports

(a) * * *

(b) ANNUAL REPORTS.—The Secretary of Defense shall include each year in the materials that the Secretary submits to Congress in support of the budget submitted by the President pursuant to section 1105 of title 31 the following:

(1) * * *

(2) A methodology for evaluating the extent and effectiveness of the use of the authorities under this subchapter during such preceding fiscal year*, and such recommendations as the Secretary considers necessary for improving the extent and effectiveness of the use of such authorities in the future*.

[(3) A description of the objectives of the Department of Defense for providing military family housing and military unaccompanied housing for members of the armed forces.]

(3) A review of activities of the Secretary under this subchapter during such preceding fiscal year, shown for military family housing, military unaccompanied housing, dual military family housing and military unaccompanied housing, and ancillary supporting facilities.

(4) If a contract for the acquisition or construction of military family housing, military unaccompanied housing, or dual military family housing and military unaccompanied housing entered into during the preceding fiscal year did not include the acquisition or construction of the types of ancillary supporting facilities specifically referred to in section 2871(1) of this title, a explanation of the reasons why such ancillary supporting facilities were not included.

(5) A description of the Secretary's plans for housing privatization activities under this subchapter (A) during the fiscal year for which the budget is submitted, and (B) during the period covered by the then-current future-years defense plan under section 221 of this title.

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CHAPTER 172—STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM

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§ 2902. Strategic Environmental Research and Development Program Council

(a) * * *

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(g)[(1)] Not later than February 1 of each year, the Council shall submit to the Secretary of Defense the annual report prepared pursuant to subsection (d)(3).

[(2) Not later than March 15 of each year, the Secretary of Defense shall submit such annual report to Congress, along with such comments as the Secretary considers appropriate.]

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Subtitle B—Army

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PART I—ORGANIZATION

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CHAPTER 303—DEPARTMENT OF THE ARMY

* * * * * * *

§ 3013. Secretary of the Army

(a) * * *

* * * * * * *

(c) Subject to the authority, direction, and control of the Secretary of Defense, the Secretary of the Army is also responsible to the Secretary of Defense for—

(1) * * *

* * * * * * *

(4) carrying out the functions of the Department of the Army so as to fulfill [(to the maximum extent practicable)] the current and future operational requirements of the unified and specified combatant commands;

* * * * * * *

CHAPTER 307—THE ARMY

* * * * * * *

§ 3062. Policy; composition; organized peace establishment

(a) * * *

* * * * * * *

(e) The Army shall be so organized as to include not less than—

(1) 10 active and eight National Guard combat divisions or their equivalents;

(2) one active armored cavalry regiment and one light cavalry regiment or their equivalents;

(3) 15 National Guard enhanced brigades or their equivalents; and

(4) such other active and reserve component land combat, rotary-wing aviation, and other services as may be required to support forces specified in paragraphs (1) through (3).

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PART II—PERSONNEL

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CHAPTER 345—RANK AND COMMAND

Sec.
3572. Rank: commissioned officers serving under temporary appointments.

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[3583. Requirement of exemplary conduct.]

* * * * * * *

[§ 3583. Requirement of exemplary conduct

[All commanding officers and others in authority in the Army are required—

[(1) to show in themselves a good example of virtue, honor, patriotism, and subordination;

[(2) to be vigilant in inspecting the conduct of all persons who are placed under their command;

[(3) to guard against and suppress all dissolute and immoral practices, and to correct, according to the laws and regulations of the Army, all persons who are guilty of them; and

[(4) to take all necessary and proper measures, under the laws, regulations, and customs of the Army, to promote and safeguard the morale, the physical well-being, and the general welfare of the officers and enlisted persons under their command or charge.]

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PART III—TRAINING

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CHAPTER 403—UNITED STATES MILITARY ACADEMY

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§ 4342. Cadets: appointment; numbers, territorial distribution

(a) The authorized strength of the Corps of Cadets of the Academy (determined for any year as of the day before the last day of the academic year) is 4,000 or such higher number as may be prescribed by the Secretary of the Army under subsection (j). Subject to that limitation, cadets are selected as follows:

(1) * * *

* * * * * * *

(6) [Two] *Three* cadets from the Virgin Islands, nominated by the Delegate in Congress from the Virgin Islands.

* * * * * * *

(8) [Two] *Three* cadets from Guam, nominated by the Delegate in Congress from Guam.

(9) [One] *Two* cadet from American Samoa, nominated by the Delegate in Congress from American Samoa.

* * * * * * *

(h) The [Secretary of the Army] *Superintendent* shall furnish to any Member of Congress, upon the written request of such Member, the name of the Congressman or other nominating authority responsible for the nomination of any named or identified person for appointment to the Academy.

* * * * * * *

§ 4357. Acceptance of guarantees with gifts for major projects

(a) * * *

* * * * * * *

(c) NOTICE OF PROPOSED ACCEPTANCE.—The Secretary of the Army may not accept a qualified guarantee under this section for the completion of a major project until after [the expiration of 30 days following] the date upon which a report of the facts concerning the proposed guarantee is submitted to Congress.

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Subtitle C—Navy and Marine Corps

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PART I—ORGANIZATION

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CHAPTER 503—DEPARTMENT OF THE NAVY

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§ 5013. Secretary of the Navy

(a) * * *

* * * * * * *

(c) Subject to the authority, direction, and control of the Secretary of Defense, the Secretary of the Navy is also responsible to the Secretary of Defense for—

(1) * * *

* * * * * * *

(4) carrying out the functions of the Department of the Navy so as to fulfill [(to the maximum extent practicable)] the current and future operational requirements of the unified and specified combatant commands;

* * * * * * *

CHAPTER 505—OFFICE OF THE CHIEF OF NAVAL OPERATIONS

* * * * * * *

§ 5033. Chief of Naval Operations

(a)(1) There is a Chief of Naval Operations, appointed by the President, by and with the advice and consent of the Senate. The Chief of Naval Operations shall be appointed for a term of four years, [from officers on the active-duty list in the line of the Navy who are eligible to command at sea and who hold the grade of rear admiral or above] *flag officers of the Navy*. He serves at the pleasure of the President. In time of war or during a national emergency declared by Congress, he may be reappointed for a term of not more than four years.

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CHAPTER 506—HEADQUARTERS, MARINE CORPS

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§ 5043. Commandant of the Marine Corps

(a)(1) There is a Commandant of the Marine Corps, appointed by the President, by and with the advice and consent of the Senate. The Commandant shall be appointed for a term of four years [from officers on the active-duty list of the Marine Corps not below the grade of colonel] *general officers of the Marine Corps*. He serves at the pleasure of the President. In time of war or during a national emergency declared by Congress, he may be reappointed for a term of not more than four years.

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CHAPTER 507—COMPOSITION OF THE DEPARTMENT OF THE NAVY

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§ 5062. United States Navy: composition; functions

(a) * * *

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(d) The Navy, within the Department of the Navy, shall be so organized as to include—

(1) not less than 305 vessels in active service;

(2) not less than 12 aircraft carrier battle groups or their equivalents, not less than 12 amphibious ready groups or their equivalents, not less than 55 attack submarines, not less than 108 active surface combatant vessels, and not less than 8 reserve combatant vessels; and

(3) such other active and reserve naval combat, naval aviation, and service forces as may be required to support forces specified in paragraphs (1) and (2).

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PART II—PERSONNEL

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CHAPTER 539—ORIGINAL APPOINTMENTS

Sec.
[5582. Regular Navy: transfers, line and staff corps.]

* * * * * * *

[§ 5582. Regular Navy: transfers, line and staff corps

[(a) A regular officer of the Navy in a staff corps in a grade not above lieutenant commander may be appointed in the line of the Navy to the same grade.

[(b) A regular officer in the line of the Navy in a grade not above lieutenant commander may be appointed to the same grade in a staff corps under regulations prescribed by the Secretary of Defense.]

* * * * * * *

CHAPTER 551—OFFICERS IN COMMAND

Sec.
5942. Aviation commands: eligibility.

* * * * * * *

[5947. Requirement of exemplary conduct.]

* * * * * * *

[§ 5947. Requirement of exemplary conduct

[All commanding officers and others in authority in the naval service are required to show in themselves a good example of virtue, honor, patriotism, and subordination; to be vigilant in inspecting the conduct of all persons who are placed under their command; to guard against and suppress all dissolute and immoral practices, and to correct, according to the laws and regulations of the Navy, all persons who are guilty of them; and to take all necessary and proper measures, under the laws, regulations, and customs of the naval service, to promote and safeguard the morale, the physical well-being, and the general welfare of the officers and enlisted persons under their command or charge.]

* * * * * * *

CHAPTER 571—VOLUNTARY RETIREMENT

* * * * * * *

§ 6321. Officers: 40 years

(a) Each officer of the Regular Navy or the Regular Marine Corps holding a permanent appointment in the grade of warrant officer, W–1, or above who applies for retirement [after completing 40 or more years] *and has at least 40 years* of active service shall be retired by the Secretary of the Navy.

* * * * * * *

§ 6322. Officers: 30 years

(a) An officer of the Regular Navy or the Regular Marine Corps holding a permanent appointment in the grade of warrant officer, W–1, or above who applies for retirement [after completing 30 or more years] *and has at least 30 years* of active service may, in the discretion of the Secretary of the Navy, be retired.

* * * * * * *

§ 6323. Officers: 20 years

(a)(1) An officer of the Navy or the Marine Corps who applies for retirement [after completing more than 20 years] *and has at least 20 years* of active service, of which at least 10 years was service as a commissioned officer, may, in the discretion of the President, be retired on the first day of any month designated by the President.

* * * * * * *

§ 6326. Enlisted members: 30 years

(a) Each enlisted member of the Regular Navy or the Regular Marine Corps who applies for retirement [after completing 30 or more years] *and has at least 30 years* of active service in the armed forces shall be retired by the President.

* * * * * * *

§ 6330. Enlisted members: transfer to Fleet Reserve and Fleet Marine Corps Reserve; retainer pay

(a) * * *

(b) An enlisted member of the Regular Navy or the Naval Reserve [who has completed 20 or more years] *who has at least 20 years* of active service in the armed forces may, at his request, be transferred to the Fleet Reserve. An enlisted member of the Regular Marine Corps or the Marine Corps Reserve [who has completed 20 or more years] *who has at least 20 years* of active service in the armed forces may, at his request, be transferred to the Fleet Marine Corps Reserve.

* * * * * * *

§ 6331. Members of the Fleet Reserve and Fleet Marine Corps Reserve: transfer to the retired list; retired pay

(a) When he has [completed 30 years] *has at least 30 years* of service, or when he is found not physically qualified in an examination under section 6485 of this title, a member of the Fleet Reserve or the Fleet Marine Corps Reserve shall be transferred—

(1) * * *

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PART III—EDUCATION AND TRAINING

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CHAPTER 603—UNITED STATES NAVAL ACADEMY

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§ 6954. Midshipmen: number

(a) The authorized strength of the Brigade of Midshipmen (determined for any year as of the day before the last day of the academic year) is 4,000 or such higher number as may be prescribed by the Secretary of the Navy under subsection (h). Subject to that limitation, midshipmen are selected as follows:

(1) * * *

* * * * * * *

(6) [Two] *Three* from the Virgin Islands, nominated by the Delegate in Congress from the Virgin Islands.

* * * * * * *

(8) [Two] *Three* from Guam, nominated by the Delegate in Congress from Guam.

(9) [One] *Two* from American Samoa nominated by the Delegate in Congress from American Samoa.

* * * * * * *

(f) The [Secretary of the Navy] *Superintendent of the Naval Academy* shall furnish to any Member of Congress, upon the written request of such Member, the name of the Congressman or other nominating authority responsible for the nomination of any named or identified person for appointment to the Academy.

* * * * * * *

§ 6975. Acceptance of guarantees with gifts for major projects

(a) * * *

* * * * * * *

(c) NOTICE OF PROPOSED ACCEPTANCE.—The Secretary of the Navy may not accept a qualified guarantee under this section for the completion of a major project until after [the expiration of 30 days following] the date upon which a report of the facts concerning the proposed guarantee is submitted to Congress.

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CHAPTER 605—UNITED STATES NAVAL POSTGRADUATE SCHOOL

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§ 7045. Officers of the other armed forces; enlisted members: admission

(a)(1) * * *

[(2) The Secretary may permit an enlisted member of the armed forces who is assigned to the Naval Postgraduate School or to a nearby command to receive instruction at the Naval Postgraduate School. Admission of enlisted members for instruction under this paragraph shall be on a space-available basis.]

(2) The Secretary may permit enlisted members of the armed forces to receive instruction at the Naval Postgraduate School for the purpose of attending—

(A) executive level seminars; or

(B) the information security scholarship program under chapter 112 of this title.

(3) In addition to instruction authorized under paragraph (2), the Secretary may, on a space-available basis, permit an enlisted member of any of the armed forces to receive instruction at the Naval Postgraduate School if the member is assigned permanently to the staff of the Naval Postgraduate School or to a nearby command.

(b) [The Department]*(1) Except as provided under paragraph (3), the Department* of the Army, the Department of the Air Force, and the Department of Homeland Security shall bear the cost of the instruction received by [officers] *members* detailed for that instruction by the Secretary of the Army, the Secretary of the Air Force, and the Secretary of Homeland Security, respectively.

(2) In the case of an enlisted member permitted *under subsection (a)(3)* to receive instruction at the Postgraduate School *on a space-available basis*, the Secretary of the Navy shall charge that member only for such costs and fees as the Secretary considers appropriate [(taking into consideration the admission of enlisted members on a space-available basis)].

(3) The Secretary of Defense may prescribe exceptions to the requirements of paragraph (1) with regard to attendance at the Postgraduate School pursuant to chapter 112 of this title.

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§ 7049. Defense industry civilians: admission to defense product development program

(a) * * *

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(c) ANNUAL [CERTIFICATION] *DETERMINATION* BY THE SECRETARY OF THE NAVY.—Defense industry employees may receive instruction at the school during any academic year only if, before the start of that academic year, the Secretary of the Navy determines[, and certifies to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives,] that providing instruction to defense industry employees under this section during that year—

(1) * * *

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CHAPTER 609—PROFESSIONAL MILITARY EDUCATION SCHOOLS

* * * * * * *

§ 7102. Marine Corps University: masters degrees; board of advisors

(a) * * *

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(c) COMMAND AND STAFF COLLEGE OF THE MARINE CORP UNIVERSITY.—Upon the recommendation of the Director and faculty of the Command and Staff College of the Marine Corps University, the President of the Marine Corps University may confer the degree of master of operational studies upon graduates of the Command and Staff College's School of Advanced Warfighting who fulfill the requirements for that degree.

[(c)] *(d)* REGULATIONS.—The authority provided by subsections (a) and (b) shall be exercised under regulations prescribed by the Secretary of the Navy.

[(d)] *(e)* BOARD OF ADVISORS.—The Secretary of the Navy shall establish a board of advisors for the Marine Corps University. The Secretary shall ensure that the board is established so as to meet all requirements of the appropriate regional accrediting association.

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PART IV—GENERAL ADMINISTRATION

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CHAPTER 633—NAVAL VESSELS

Sec.
7291. Classification.

* * * * * * *

7306b. Vessels stricken from Naval Vessel Register: transfer by gift or otherwise for use as artificial reefs.

* * * * * * *

§ 7296. Combatant surface vessels: notice before reduction in number; preservation of surge capability

(a) NOTICE-AND-WAIT BEFORE REDUCTIONS.—(1) * * *

* * * * * * *

[(3) Any notification under paragraph (1)(A)] *(b) CONTENT OF NOTIFICATION.—Any notification under subsection (a)(1)(A)* shall include the following:

[(A)] *(1)* The schedule for the proposed reduction.

[(B)] *(2)* The number of vessels that are to comprise the force of combatant surface vessels after the reduction.

[(C)] *(3)* A risk assessment for a force of combatant surface vessels of the number specified under [subparagraph (B)] *paragraph (2)* that is based on the same assumptions as were applied in the QDR 2001 combatant surface force risk assessment.

[(b) PRESERVATION OF SURGE CAPABILITY.—Whenever the number of combatant surface vessels is less than 116, the Secretary of the Navy shall maintain on the Naval Vessel Register a sufficient number of combatant surface vessels to enable the Navy to regain a force of combatant surface vessels numbering not less than 116 within 120 days after the date of any decision by the President to increase the number of combatant surface vessels.]

* * * * * * *

§ 7306a. Vessels stricken from Naval Vessel Register: use for experimental purposes

(a) * * *

(b) STRIPPING VESSEL.—(1) Before using a vessel for an experimental purpose pursuant to subsection (a), the Secretary shall carry out such stripping of the vessel as is practicable. *Material and equipment stripped from the vessel may be sold by a contractor or a designated sales agent on behalf of the Navy.*

(2) Amounts received as proceeds from the stripping of a vessel pursuant to this subsection shall be credited to appropriations available for the procurement of [scrapping services needed for such stripping. Amounts received which are in excess of amounts needed for procuring such services shall be deposited into the general fund of the Treasury.] *services needed for such stripping and for environmental remediation required for the use of the vessel for experimental purposes. Amounts received in excess of amounts needed for reimbursement of those costs shall be deposited into the account from which the stripping and environmental remediation expenses were incurred and shall be available for stripping and environmental remediation of other vessels to be used for experimental purposes.*

(c) USE FOR EXPERIMENTAL PURPOSES DEFINED.—In this section, the term "use for experimental purposes" includes use of a vessel in a Navy sink exercise or for target purposes.

§ 7306b. Vessels stricken from Naval Vessel Register: transfer by gift or otherwise for use as artificial reefs

(a) AUTHORITY TO MAKE TRANSFER.—The Secretary of the Navy may transfer, by gift or otherwise, any vessel stricken from the Naval Vessel Register to any State, Commonwealth, or possession of the United States or any municipal corporation or political subdivision thereof for use as an artificial reef as provided in subsection (b).

(b) VESSEL TO BE USED AS ARTIFICIAL REEF.—An agreement for the transfer of a vessel under subsection (a) shall require that—

(1) the transferee use, site, construct, monitor, and manage the vessel only as an artificial reef in accordance with the requirements of the National Fishing Enhancement Act of 1984 (33 U.S.C. 2101 et seq.), except that the transferee also may use the artificial reef to enhance diving opportunities if that use does not have an adverse effect on fishery resources; and

(2) the transferee shall obtain, and bear all of the responsibility for complying with, all applicable Federal, State, interstate, and local permits for siting, constructing, monitoring, and managing a vessel as an artificial reef.

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

(d) COST SHARING ON TRANSFERS.—The Secretary of the Navy may share with the recipient any of the costs associated with transferring a vessel under this section.

(e) APPLICATION FOR MORE THAN ONE VESSEL.—A State, Commonwealth, or possession of the United States, or any municipal corporation or political subdivision thereof, may apply for more than one vessel under this section.

(f) DEFINITION.—In this section, the term "fishery resources" has the meaning given such term in section 3(14) of the Magnuson-Stevens Fishery Conservation and Management Act of 1976 (16 U.S.C. 1802(14)).

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CHAPTER 637—SALVAGE FACILITIES

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§ 7361. Authority to provide for necessary salvage facilities

(a) * * *

* * * * * * *

(e) SALVAGE FACILITIES DEFINED.—In this section, the term "salvage facilities" includes equipment and gear utilized to prevent, abate, or minimize damage to the environment in connection with a marine salvage operation.

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§ 7363. Settlement of claims

(a) AUTHORITY TO SETTLE CLAIM.—The Secretary of the Navy may settle any claim by the United States for salvage services rendered by the Department of the Navy and may receive payment of any such claim.

(b) SALVAGE SERVICES DEFINED.—In this section, the term "salvage services" includes services performed in connection with a marine salvage operation that are intended to prevent, abate, or minimize damage to the environment.

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Subtitle D—Air Force

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PART I—ORGANIZATION

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CHAPTER 803—DEPARTMENT OF THE AIR FORCE

* * * * * * *

§ 8013. Secretary of the Air Force

(a) * * *

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(c) Subject to the authority, direction, and control of the Secretary of Defense, the Secretary of the Air Force is also responsible to the Secretary of Defense for—

(1) * * *

* * * * * * *

(4) carrying out the functions of the Department of the Air Force so as to fulfill [(to the maximum extent practicable)] the current and future operational requirements of the unified and specified combatant commands;

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CHAPTER 807—THE AIR FORCE

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§ 8062. Policy; composition; aircraft authorization

(a) * * *

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(g) Notwithstanding subsection (e), the Air Force shall be so organized as to include not less than—

(1) 46 active fighter squadrons or their equivalents;

(2) 38 National Guard and Reserve squadrons or their equivalents;

(3) 96 combat-coded bomber aircraft in active service; and

(4) such other squadrons, reserve groups, and supporting auxiliary and reserve units as may be required to support forces specified in paragraphs (1) through (3).

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PART II—PERSONNEL

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CHAPTER 845—RANK AND COMMAND

Sec.
8572. Rank: commissioned officers serving under temporary appointments.
* * * * * * *
[8583. Requirement of exemplary conduct.]

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[§ 8583. Requirement of exemplary conduct

[All commanding officers and others in authority in the Air Force are required—

[(1) to show in themselves a good example of virtue, honor, patriotism, and subordination;

[(2) to be vigilant in inspecting the conduct of all persons who are placed under their command;

[(3) to guard against and suppress all dissolute and immoral practices, and to correct, according to the laws and regu-

lations of the Air Force, all persons who are guilty of them; and

[(4) to take all necessary and proper measures, under the laws, regulations, and customs of the Air Force, to promote and safeguard the morale, the physical well-being, and the general welfare of the officers and enlisted persons under their command or charge.]

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PART III—TRAINING

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CHAPTER 903—UNITED STATES AIR FORCE ACADEMY

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§ 9342. Cadets: appointment; numbers, territorial distribution

(a) The authorized strength of Air Force Cadets of the Academy (determined for any year as of the day before the last day of the academic year) is 4,000 or such higher number as may be prescribed by the Secretary of the Air Force under subsection (j). Subject to that limitation, Air Force Cadets are selected as follows:

(1) * * *

* * * * * * *

(6) [Two] *Three* cadets from the Virgin Islands, nominated by the Delegate in Congress from the Virgin Islands.

* * * * * * *

(8) [Two] *Three* cadets from Guam, nominated by the Delegate in Congress from Guam.

(9) [One] *Two* cadet from American Samoa, nominated by the Delegate in Congress from American Samoa.

* * * * * * *

(h) The [Secretary of the Air Force] *Superintendent* shall furnish to any Member of Congress, upon the written request of such Member, the name of the Congressman or other nominating authority responsible for the nomination of any named or identified person for appointment to the Academy.

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§ 9356. Acceptance of guarantees with gifts for major projects

(a) * * *

* * * * * * *

(c) NOTICE OF PROPOSED ACCEPTANCE.—The Secretary of the Air Force may not accept a qualified guarantee under this section for the completion of a major project until after [the expiration of 30 days following] the date upon which a report of the facts concerning the proposed guarantee is submitted to Congress.

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Subtitle E—Reserve Components

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PART I—ORGANIZATION AND ADMINISTRATION

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CHAPTER 1005—ELEMENTS OF RESERVE COMPONENTS

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§ 10145. Ready Reserve: placement in

(a) * * *

* * * * * * *

(d) Under such regulations as the Secretary concerned may prescribe, any qualified member of a reserve component or any qualified retired enlisted member of a regular component may, upon his request, be placed in the Ready Reserve. However, a member of the Retired Reserve entitled to retired pay or a retired enlisted member of a regular component may not be placed in the Ready Reserve unless the Secretary concerned makes a special finding that the member's services in the Ready Reserve are indispensable. [The Secretary concerned may not delegate his authority under the preceding sentence.] *The authority of the Secretary concerned under the preceding sentence may not be delegated—*

(1) to a civilian officer or employee of the military department concerned below the level of the Assistant Secretary of the military department concerned; or

(2) to a member of the armed forces below the level of the lieutenant general or vice admiral in an armed force with responsibility for military personnel policy in that armed force.

* * * * * * *

§ 10147. Ready Reserve: training requirements

[(a) Except as specifically provided in regulations to be prescribed by the Secretary of Defense, or by the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy, each person who is enlisted, inducted, or appointed in an armed force, and who becomes a member of the Ready Reserve under any provision of law except section 513 or 10145(b) of this title, shall be required, while in the Ready Reserve, to—

[(1) participate in at least 48 scheduled drills or training periods during each year and serve on active duty for training of not less than 14 days (exclusive of traveltime) during each year; or

[(2) serve on active duty for training not more than 30 days during each year.]

(a)(1) Except as provided pursuant to paragraph (2), each person who is enlisted, inducted, or appointed in an armed force and who becomes a member of the Ready Reserve under any provision of law other than section 513 or 10145(b) of this title shall be re-

quired, while in the Ready Reserve, to participate in a combination of drills, training periods, and active duty equivalent to 38 days (exclusive of travel) during each year.

(2) The Secretary of Defense, and the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy, may prescribe regulations providing specific exceptions for the requirements of paragraph (1).

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CHAPTER 1007—ADMINISTRATION OF RESERVE COMPONENTS

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§ 10217. Non-dual status technicians

(a) * * *

* * * * * * *

(c) PERMANENT LIMITATIONS ON NUMBER.—(1) Effective October 1, 2007, the total number of non-dual status technicians employed by the Army Reserve [and Air Force Reserve may not exceed 175] *may not exceed 595 and by the Air Force Reserve may not exceed 90*. If at any time after the preceding sentence takes effect the number of non-dual status technicians employed by the Army Reserve and Air Force Reserve exceeds the number specified in the limitation in the preceding sentence, the Secretary of Defense shall require that the Secretary of the Army or the Secretary of the Air Force, or both, take immediate steps to reduce the number of such technicians in order to comply with such limitation.

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PART II—PERSONNEL GENERALLY

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CHAPTER 1209—ACTIVE DUTY

* * * * * * *

§ 12302. Ready Reserve

(a) * * *

(b) To achieve fair treatment as between members in the Ready Reserve who are being considered for recall to duty without their consent, consideration shall be given to—

(1) * * *

* * * * * * *

The Secretary of Defense shall prescribe such policies and procedures as he considers necessary to carry out this subsection. [He shall report on those policies and procedures at least once a year to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.]

* * * * * * *

[(d) Whenever one or more units of the Ready Reserve are ordered to active duty, the President shall, on the first day of the sec-

ond fiscal year quarter immediately following the quarter in which the first unit or units are ordered to active duty and on the first day of each succeeding six-month period thereafter, so long as such unit is retained on active duty, submit a report to the Congress regarding the necessity for such unit or units being ordered to and retained on active duty. The President shall include in each such report a statement of the mission of each such unit ordered to active duty, an evaluation of such unit's performance of that mission, where each such unit is being deployed at the time of the report, and such other information regarding each unit as the President deems appropriate.]

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PART III—PROMOTION AND RETENTION OF OFFICERS ON THE RESERVE ACTIVE-STATUS LIST

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CHAPTER 1403—SELECTION BOARDS

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§ 14101. Convening of selection boards

(a) * * *

(b) [CONTINUATION BOARDS] *SELECTIVE EARLY SEPARATION BOARDS*.—Whenever the needs of the Army, Navy, Air Force, or Marine Corps require, the Secretary concerned may convene a selection board to recommend officers of that armed force—

[(1) for continuation on the reserve active-status list under section 14701 of this title;]

[(2)] *(1)* for selective early removal from the reserve active-status list under section 14704 of this title; or

[(3)] *(2)* for selective early retirement under section 14705 of this title.

[A selection board convened under this subsection shall be known as a "continuation board".]

§ 14102. Selection boards: appointment and composition

(a) APPOINTMENT.—Members of selection boards convened under section 14101 of this title shall be appointed by the Secretary of the military department concerned in accordance with this section. Promotion boards and special selection boards shall consist of five or more officers. [Continuation boards] *Selection boards convened under section 14101(b) of this title* shall consist of three or more officers. All of the officers of any such selection board shall be of the same armed force as the officers under consideration by the board.

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CHAPTER 1405—PROMOTIONS

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§ 14315. Position vacancy promotions: Army and Air Force officers

(a) OFFICERS ELIGIBLE FOR CONSIDERATION FOR VACANCY PROMOTIONS BELOW BRIGADIER GENERAL.—A reserve officer of the Army who is in the Army Reserve, or a reserve officer of the Air Force who is in the Air Force Reserve, who is on the reserve active-status list in the grade of first lieutenant, captain, major, or lieutenant colonel is eligible for consideration for promotion to the next higher grade under this section if each of the following applies:

(1) The officer is occupying or, [as determined by the Secretary concerned, is available] *under regulations prescribed by the Secretary concerned, has been recommended* to occupy a position in the same competitive category as the officer and for which a grade higher than the one held by that officer is authorized.

* * * * * * *

§ 14317. Officers in transition to and from the active-status list or active-duty list

(a) * * *

* * * * * * *

(d) OFFICERS SELECTED FOR POSITION VACANCIES.—[If a reserve officer] *Except as provided in subsection (e), if a reserve officer* is ordered to active duty (other than active duty for training) or full-time National Guard duty (other than full-time National Guard duty for training only) after being recommended for promotion under section 14315 of this title to fill a position vacancy or examined for Federal recognition under title 32, and before being promoted to fill that vacancy, the officer shall not be promoted while serving such active duty or full-time National Guard duty unless the officer is ordered to active duty as a member of the unit in which the vacancy exists when that unit is ordered to active duty. If, under this subsection, the name of an officer is removed from a list of officers recommended for promotion, the officer shall be treated as if the officer had not been considered for promotion or examined for Federal recognition.

[(e) OFFICERS ORDERED TO ACTIVE DUTY IN TIME OF WAR OR NATIONAL EMERGENCY.—Under regulations prescribed by the Secretary of the military department concerned, a reserve officer who is not on the active-duty list and who is ordered to active duty in time of war or national emergency may, if eligible, be considered for promotion by a mandatory promotion board convened under section 14101(a) or a special selection board convened under section 14502 of this title for not more than two years from the date the officer is ordered to active duty unless the President suspends the operation of this section under the provisions of section 123 or 10213 of this title.]

(e) OFFICERS ORDERED TO ACTIVE DUTY IN TIME OF WAR OR NATIONAL EMERGENCY.—(1) A reserve officer who is not on the active-duty list and who is ordered to active duty in time of war or national emergency may, if eligible, be considered for promotion—

(A) by a mandatory promotion board convened under section 14101(a) of this title or a special selection board convened under section 14502 of this title; or

(B) in the case of an officer who has been ordered to or is serving on active duty in support of a contingency operation, by a vacancy promotion board convened under section 14101(a) of this title.

(2) An officer may not be considered for promotion under this subsection after the end of the two-year period beginning on the date on which the officer is ordered to active duty.

(3) An officer may not be considered for promotion under this subsection during a period when the operation of this section has been suspended by the President under the provisions of section 123 or 10213 of this title.

(4) Consideration of an officer for promotion under this subsection shall be under regulations prescribed by the Secretary of the military department concerned.

* * * * * * *

CHAPTER 1409—CONTINUATION OF OFFICERS ON THE RESERVE ACTIVE-STATUS LIST AND SELECTIVE EARLY REMOVAL

* * * * * * *

§ 14701. Selection of officers for continuation on the reserve active-status list

(a) CONSIDERATION FOR CONTINUATION.—(1) A reserve officer of the Army, Navy, Air Force, or Marine Corps who is required to be removed from the reserve active-status list under section 14505, 14506, or 14507 of this title may, subject to the needs of the service and to section 14509 of this title, be considered for continuation on the reserve active-status list **[**by a selection board convened under section 14101(b) of this title**]** *under regulations prescribed by the Secretary of Defense*.

* * * * * * *

(6) An officer who is selected for continuation on the reserve active-status list **[**as a result of the convening of a selection board under section 14101(b) of this title**]** *under regulations prescribed under paragraph (1)* but who declines to continue on that list shall be separated in accordance with section 14513 or 14514 of this title, as the case may be.

* * * * * * *

[(b) APPROVAL OF SECRETARY CONCERNED.—Continuation of an officer on the reserve active-status list under this section pursuant to action of a continuation board convened under section 14101(b) of this title is subject to the approval of the Secretary of the military department concerned.

[(c) INSTRUCTIONS TO CONTINUATION BOARDS.—A continuation board convened under section 14101(b) of this title to consider officers for continuation on the reserve active-status list under this section shall act in accordance with the instructions and directions provided to the board by the Secretary of the military department concerned.**]**

[(d)**]** *(b)* REGULATIONS.—The Secretary of Defense shall prescribe regulations for the administration of this section.

* * * * * * *

§ 14705. Selective early retirement: reserve general and flag officers of the Navy and Marine Corps

(a) * * *

(b) BOARDS.—(1) If the Secretary of the Navy determines that consideration of officers for early retirement under this section is necessary, the Secretary shall convene a [continuation board] *selection board* under section 14101(b) of this title to recommend an appropriate number of officers for early retirement.

* * * * * * *

PART IV—TRAINING FOR RESERVE COMPONENTS AND EDUCATIONAL ASSISTANCE PROGRAMS

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CHAPTER 1606—EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE SELECTED RESERVE

Sec.
16131. Educational assistance program: establishment; amount.
* * * * * * *
[16137. Biennial report to Congress.]

* * * * * * *

[§ 16137. Biennial report to Congress

[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 chapter 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 chapter during those fiscal years. The Secretary may submit the report more frequently and adjust the period covered by the report accordingly.]

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CHAPTER 1609—EDUCATION LOAN REPAYMENT PROGRAMS

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§ 16301. Education loan repayment program: enlisted members of Selected Reserve with critical specialties

(a) * * *

(b) The portion or amount of a loan that may be repaid under subsection (a) is 15 percent or $500, whichever is greater, for each year of service*, plus the amount of any interest that may accrue during the current year*.

(c) If a portion of a loan is repaid under this section for any year, interest on the remainder of the loan shall accrue and be paid in the same manner as is otherwise required. *For the purposes of this section, any interest that has accrued on the loan for periods*

before the current year shall be considered as within the total loan amount that shall be repaid.

(d) Nothing in this section shall be construed to authorize refunding any repayment of a loan.

* * * * * * *

§ 16302. Education loan repayment program: health professions officers serving in Selected Reserve with wartime critical medical skill shortages

(a) * * *

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(d) The authority provided in this section shall apply only in the case of a person first appointed as a commissioned officer before January 1, [2004] *2005*.

* * * * * * *

SECTION 232 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2002

SEC. 232. PROGRAM ELEMENTS FOR MISSILE DEFENSE AGENCY.

(a) * * *

* * * * * * *

(c) REQUIREMENT FOR ANNUAL PROGRAM GOALS.—(1) * * *

* * * * * * *

(3) Each statement of goals submitted under paragraph (1) shall set forth cost, schedule, testing, and performance goals that pertain to [each functional area program element identified in subsection (a), and each program element identified in subsection (b),] *each then-current program element for ballistic missile defense systems in effect pursuant to subsection (a) or (b)* of section 223 of title 10, United States Code.

(d) ANNUAL PROGRAM PLAN.—(1) With the submission of the statement of goals under subsection (c) for any year, the Secretary of Defense shall submit to the congressional defense committees a program of activities planned to be carried out for each missile defense program that enters engineering and manufacturing development (as defined in section 223(b)(2) of title 10, United States Code[, as added by subsection (b)]).

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SIKES ACT

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TITLE I—CONSERVATION PROGRAMS ON MILITARY INSTALLATIONS

* * * * * * *

SEC. 101. (a) * * *

(b) REQUIRED ELEMENTS OF PLANS.—Consistent with the use of military installations to ensure the preparedness of the Armed

Forces, each integrated natural resources management plan prepared under subsection (a)—

(1) shall, to the extent appropriate and applicable, provide for—

(A) * * *

* * * * * * *

(D) during fiscal years 2004 through 2008, in the case of a plan for a military installation in Guam, management, control, and eradication of invasive species that are not native to the ecosystem of the military installation and the introduction of which cause or may cause harm to military readiness, the environment, the economy, or human health and safety;

[(D)] *(E)* integration of, and consistency among, the various activities conducted under the plan;

[(E)] *(F)* establishment of specific natural resource management goals and objectives and time frames for proposed action;

[(F)] *(G)* sustainable use by the public of natural resources to the extent that the use is not inconsistent with the needs of fish and wildlife resources;

[(G)] *(H)* public access to the military installation that is necessary or appropriate for the use described in subparagraph (F), subject to requirements necessary to ensure safety and military security;

[(H)] *(I)* enforcement of applicable natural resource laws (including regulations);

[(I)] *(J)* no net loss in the capability of military installation lands to support the military mission of the installation; and

[(J)] *(K)* such other activities as the Secretary of the military department determines appropriate;

* * * * * * *

SEC. 108. (a) * * *

(b) There are authorized to be appropriated to the Secretary of Defense not to exceed $1,500,000 for each of the [fiscal years 1998 through 2003] *fiscal years 2004 through 2008*, to carry out this title, including the enhancement of fish and wildlife habitat and the development of public recreation and other facilities, and to carry out such functions and responsibilities as the Secretary may have under cooperative agreements entered into under section 103a. The Secretary of Defense shall, to the greatest extent practicable, enter into agreements to utilize the services, personnel, equipment, and facilities, with or without reimbursement, of the Secretary of the Interior in carrying out the provisions of this section.

(c) There are authorized to be appropriated to the Secretary of the Interior not to exceed $3,000,000 for each of the [fiscal years 1998 through 2003] *fiscal years 2004 through 2008*, to carry out such functions and responsibilities as the Secretary may have under integrated natural resources management plans to which such Secretary is a party under this section, including those for the

enhancement of fish and wildlife habitat and the development of public recreation and other facilities.

* * * * * * *

SECTION 4 OF THE ENDANGERED SPECIES ACT OF 1973

DETERMINATION OF ENDANGERED SPECIES AND THREATENED SPECIES

SEC. 4. (a) GENERAL.—(1) * * *

* * * * * * *

(3)*(A)* The Secretary, by regulation promulgated in accordance with subsection (b) and to the maximum extent [prudent and determinable] *necessary*—

[(A)] *(i)* shall, concurrently with making a determination under paragraph (1) that a species is an endangered species or a threatened species, designate any habitat of such species which is then considered to be critical habitat; and

[(B)] *(ii)* may, from time-to-time thereafter as appropriate, revise such designation.

(B)(i) The Secretary shall not designate as critical habitat any lands or other geographical areas owned or controlled by the Department of Defense, or designated for its use, that are subject to an integrated natural resources management plan prepared under section 101 of the Sikes Act (16 U.S.C. 670a), if the Secretary determines that such plan addresses special management considerations or protection (as those terms are used in section 3(5)(A)(i)).

(ii) Nothing in this paragraph affects the requirement to consult under section 7(a)(2) with respect to an agency action (as that term is defined in that section).

(iii) Nothing in this paragraph affects the obligation of the Department of Defense to comply with section 9, including the prohibition preventing extinction and taking of endangered species and threatened species.

(b) BASIS FOR DETERMINATIONS.—(1) * * *

(2) The Secretary shall designate critical habitat, and make revisions thereto, under subsection (a)(3) on the basis of the best scientific data available and after taking into consideration the economic impact, *the impact on national security,* and any other relevant impact, of specifying any particular area as critical habitat. The Secretary may exclude any area from critical habitat if he determines that the benefits of such exclusion outweight the benefits of specifying such area as part of the critical habitat, unless he determines, based on the best scientific and commercial data available, that the failure to designate such area as critical habitat will result in the extinction of the species concerned.

* * * * * * *

MARINE MAMMAL PROTECTION ACT OF 1972

* * * * * * *

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) * * *

* * * * * * *

[(18)(A) The term "harassment" means any act of pursuit, torment, or annoyance which—

[(i) has the potential to injure a marine mammal or marine mammal stock in the wild; or

[(ii) has the potential to disturb a marine mammal or marine mammal stock in the wild by causing disruption of behavioral patterns, including, but not limited to, migration, breathing, nursing, breeding, feeding, or sheltering.]

(18)(A) The term "harassment" means—

(i) any act that injures or has the significant potential to injure a marine mammal or marine mammal stock in the wild; or

(ii) any act that disturbs or is likely to disturb a marine mammal or marine mammal stock in the wild by causing disruption of natural behavioral patterns, including, but not limited to, migration, surfacing, nursing, breeding, feeding, or sheltering, to a point where such behavioral patterns are abandoned or significantly altered.

* * * * * * *

TITLE I—CONSERVATION AND PROTECTION OF MARINE MAMMALS

* * * * * * *

MORATORIUM AND EXCEPTIONS

SEC. 101. (a) There shall be a moratorium on the taking and importation of marine mammals and marine mammal products, commencing on the effective date of this Act, during which time no permit may be issued for the taking of any marine mammal and no marine mammal or marine mammal product may be imported into the United States except in the following cases:

(1) * * *

* * * * * * *

(5)(A) Upon request therefor by citizens of the United States who engage in a specified activity (other than commercial fishing) [within a specified geographical region], the Secretary shall allow, during periods of not more than five consecutive years each, the incidental, but not intentional, taking by citizens while engaging in that activity [within that region of small numbers] of marine mammals of a species or population stock if the Secretary, after notice (in the Federal Register and in newspapers of general circulation, and through appropriate electronic media, in the coastal areas that may be affected by such activity) and opportunity for public comment—

(i) * * *

* * * * * * *

Notwithstanding the preceding sentence, the Secretary is not required to publish notice under this subparagraph with respect to in-

cidental takings while engaged in a military readiness activity (as defined in section 315(f) of Public Law 107–314; 16 U.S.C. 703 note) authorized by the Secretary of Defense, except in the Federal Register.

(B) The Secretary shall withdraw, or suspend for a time certain (either on an individual or class basis, as appropriate) the permission to take marine mammals under subparagraph (A) pursuant to a specified activity [within a specified geographical region] if the Secretary finds, after notice and opportunity for public comment (as required under subparagraph (A) unless subparagraph (C)(i) applies), that—

(i) * * *

(ii) the taking allowed under subparagraph (A) pursuant to one or more activities [within one or more regions] is having, or may have, more than a negligible impact on the species or stock concerned.

* * * * * * *

(D)(i) Upon request therefor by citizens of the United States who engage in a specified activity (other than commercial fishing) [within a specific geographic region], the Secretary shall authorize, for periods of not more than 1 year, subject to such conditions as the Secretary may specify, the incidental, but not intentional, taking by harassment [of small numbers] of marine mammals of a species or population stock by such citizens while engaging in that activity [within that region] if the Secretary finds that such harassment during each period concerned—

(I) * * *

* * * * * * *

(vi) Notwithstanding clause (iii), the Secretary is not required to publish notice under this subparagraph with respect to an authorization under clause (i) of incidental takings while engaged in a military readiness activity (as defined in section 315(f) of Public Law 107–314; 16 U.S.C. 703 note) authorized by the Secretary of Defense, except in the Federal Register.

* * * * * * *

(f) EXEMPTION OF ACTIONS NECESSARY FOR NATIONAL DEFENSE.—(1) The Secretary of Defense, after conferring with the Secretary of Commerce, the Secretary of the Interior, or both, as appropriate, may exempt any action or category of actions undertaken by the Department of Defense or its components from compliance with any requirement of this Act, if the Secretary determines that it is necessary for national defense.

(2) An exemption granted under this subsection—

(A) subject to subparagraph (B), shall be effective for a period specified by the Secretary of Defense; and

(B) shall not be effective for more than 2 years.

(3)(A) The Secretary of Defense may issue additional exemptions under this subsection for the same action or category of actions, after—

(i) conferring with the Secretary of Commerce, the Secretary of the Interior, or both as appropriate; and

(ii) making a new determination that the additional exemption is necessary for national defense.

(B) Each additional exemption under this paragraph shall be effective for a period specified by the Secretary of Defense, of not more than 2 years.

* * * * * * *

SECTION 107 OF TITLE 32, UNITED STATES CODE

§ 107. Availability of appropriations

(a) Under such regulations as the Secretary concerned may prescribe, appropriations for the National Guard are available for—

(1) * * *

(2) the necessary expenses of [officers] *members* of the Regular Army or the Regular Air Force on duty in the National Guard Bureau or with the [Army General Staff] *Army Staff* or the Air Staff, traveling to and from annual conventions of the [National Guard Association of the United States], *Enlisted Association of the National Guard of the United States, National Guard Association of the United States,* or the Adjutants General Association;

* * * * * * *

TITLE 37, UNITED STATES CODE

* * * * * * *

CHAPTER 3—BASIC PAY

* * * * * * *

§ 203. Rates

(a) * * *

* * * * * * *

(d)(1) * * *

(2) Service to be taken into account for purposes of computing basic pay under paragraph (1) is as follows:

(A) Active service as a warrant officer or as a warrant officer and an [enlisted member, in the case of—

[(i) a commissioned officer on active duty who is paid from funds appropriated for active-duty personnel; or

[(ii) a commissioned officer on active Guard and Reserve duty.] *enlisted member.*

[(B) In the case of a commissioned officer (not referred to in subparagraph (A)(ii)) who is paid from funds appropriated for reserve personnel, service as a warrant officer, or as a warrant officer and enlisted member, for which at least 1,460 points have been credited to the officer for the purposes of section 12732(a)(2) of title 10.]

(B) Service as a warrant officer, as an enlisted member, or as a warrant officer and an enlisted member, for which at least

1,460 points have been credited to the officer for the purposes of section 12732(a)(2) of title 10.

* * * * * * *

§ 209. Members of precommissioning programs

(a) * * *

* * * * * * *

(c) NONSCHOLARSHIP SENIOR ROTC MEMBERS NOT IN ADVANCED TRAINING.—A member of the Selected Reserve Officers' Training Corps who has entered into an agreement under section 2103a of title 10 is entitled to a monthly subsistence allowance at a rate prescribed under subsection (a). The allowance may be paid to the member for a maximum of 20 months.

[(c)**]** *(d)* PAY WHILE ATTENDING TRAINING OR PRACTICE CRUISE.—Each cadet or midshipman in the Senior Reserve Officers' Training Corps, while he is attending training or practice cruises under chapter 103 of title 10 if the training or cruise is of at least four weeks duration and must be completed before the cadet or midshipman is commissioned, and each applicant for membership in the Senior Reserve Officers' Training Corps, while he is attending field training or practice cruises to satisfy the requirements of section 2104(b)(6)(B) of title 10 for admission to advanced training, is entitled, while so attending, to pay at the rate prescribed for cadets and midshipmen at the United States Military, Naval, and Air Force Academies under section 203(c) of this title, except that the rate for a cadet or midshipman who is a member of the regular component of an armed force shall be the rate of basic pay applicable to the member under section 203 of this title.

[(d)**]** *(e)* MEMBERS OF MARINE CORPS OFFICER CANDIDATE PROGRAM.—Except when serving on active duty, a member who is enrolled in a Marine Corps officer candidate program which requires a baccalaureate degree as a prerequisite to being commissioned as an officer and who is not enrolled in a program established under chapter 103 of title 10 or an academy established under chapter 403, 603, or 903 of title 10 may be paid a subsistence allowance at a monthly rate prescribed under subsection (a) for a member of the Senior Reserve Officers' Training Corps who is selected for advanced training under section 2104 of title 10.

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CHAPTER 5—SPECIAL AND INCENTIVE PAYS

Sec.
301. Incentive pay: hazardous duty.

* * * * * * *

301f. Incentive pay: duty on ground in Antarctica or on Arctic icepack.

* * * * * * *

305b. Special pay: service as member of Weapons of Mass Destruction Civil Support Team.

* * * * * * *

[314. Special pay or bonus: qualified enlisted members extending duty at designated locations overseas.**]**

314. Special pay or bonus: qualified members extending duty at designated locations overseas.

* * * * * * *

326. Incentive bonus: lateral conversion bonus for service in critically short military occupational speciality.

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§ 301. Incentive pay: hazardous duty

(a) * * *

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(f)(1) * * *

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(3) Notwithstanding paragraphs (1) or (2), if a member described in paragraph (1) performs the duty described in clauses (3) or (4) of subsection (a) in any month, the member shall be entitled for that month to the full amount specified in the first sentence of subsection (c)(1), in the case of the duty described in clause (4) of subsection (a) or parachute jumping involving the use of a static line, or the full amount specified in the second sentence of subsection (c)(1), in the case of parachute jumping in military free fall operations.

* * * * * * *

§ 301b. Special pay: aviation career officers extending period of active duty

(a) BONUS AUTHORIZED.—An aviation officer described in subsection (b) who, during the period beginning on January 1, 1989, and ending on [December 31, 2003] *December 31, 2004*, executes a written agreement to remain on active duty in aviation service for at least one year may, upon the acceptance of the agreement by the Secretary concerned, be paid a retention bonus as provided in this section.

* * * * * * *

§ 301f. Incentive pay: duty on ground in Antarctica or on Arctic icepack

(a) AVAILABILITY OF INCENTIVE PAY.—A member of the uniformed services who performs duty at a location described in subsection (b) is entitled to special pay under this section at a rate of $5 for each day of that duty.

(b) COVERED LOCATIONS.—Subsection (a) applies with respect to duty performed on the ground in Antarctica or on the Arctic icepack.

* * * * * * *

§ 302d. Special pay: accession bonus for registered nurses

(a) ACCESSION BONUS AUTHORIZED.—(1) A person who is a registered nurse and who, during the period beginning on November 29, 1989, and ending on [December 31, 2003] *December 31, 2004*, executes a written agreement described in subsection (c) to accept a commission as an officer and remain on active duty for a period of not less than four years may, upon the acceptance of the agree-

ment by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

* * * * * * *

§ 302e. Special pay: nurse anesthetists

(a) SPECIAL PAY AUTHORIZED.—(1) An officer described in subsection (b)(1) who, during the period beginning on November 29, 1989, and ending on [December 31, 2003] *December 31, 2004*, executes a written agreement to remain on active duty for a period of one year or more may, upon the acceptance of the agreement by the Secretary concerned, be paid incentive special pay in an amount not to exceed $50,000 for any 12-month period.

* * * * * * *

§ 302g. Special pay: Selected Reserve health care professionals in critically short wartime specialties

(a) * * *

* * * * * * *

(f) TERMINATION OF AGREEMENT AUTHORITY.—No agreement under this section may be entered into after [December 31, 2003] *December 31, 2004*.

§ 302h. Special pay: accession bonus for dental officers

(a) ACCESSION BONUS AUTHORIZED.—(1) A person who is a graduate of an accredited dental school and who, during the period beginning on September 23, 1996, and ending on [December 31, 2003] *December 31, 2004*, executes a written agreement described in subsection (c) to accept a commission as an officer of the armed forces and remain on active duty for a period of not less than four years may, upon the acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

* * * * * * *

§ 305b. Special pay: service as member of Weapons of Mass Destruction Civil Support Team

(a) AVAILABILITY OF SPECIAL PAY.—The Secretary of a military department may pay special pay under this section to a member of the armed forces under the jurisdiction of that Secretary who is entitled to basic pay under section 204 and is assigned by orders to duty as a member of a Weapons of Mass Destruction Civil Support Team.

(b) MONTHLY RATE.—Special pay payable under subsection (a) shall be paid at a rate equal to $150 a month.

(c) ELIGIBILITY OF RESERVE COMPONENT MEMBERS WHEN PERFORMING INACTIVE DUTY TRAINING.—Under regulations prescribed by the Secretary concerned and to the extent provided for in appropriation Acts, when a member of a reserve component of the armed forces who is entitled to compensation under section 206 of this title performs duty under orders as a member of a Weapons of Mass Destruction Civil Support Team, the member may be paid an increase in compensation equal to 1/30 of the monthly special pay specified in

subsection (b) for each day on which the member performs such duty.

(d) DEFINITION.—In this section, the term "Weapons of Mass Destruction Civil Support Team" means a team of members of the reserve components of the armed forces that is established under section 12310(c) of title 10 in support of emergency preparedness programs to prepare for or to respond to any emergency involving the use of a weapon of mass destruction.

* * * * * * *

§ 308. Special pay: reenlistment bonus

(a) * * *

* * * * * * *

(g) No bonus shall be paid under this section with respect to any reenlistment, or voluntary extension of an active-duty reenlistment, in the armed forces entered into after [December 31, 2003] *December 31, 2004*.

§ 308b. Special pay: reenlistment bonus for members of the Selected Reserve

(a) * * *

* * * * * * *

(f) TERMINATION OF AUTHORITY.—No bonus may be paid under this section to any enlisted member who, after [December 31, 2003] *December 31, 2004*, reenlists or voluntarily extends his enlistment in a reserve component.

§ 308c. Special pay: bonus for enlistment in the Selected Reserve

(a) * * *

* * * * * * *

(e) No bonus may be paid under this section to any enlisted member who, after [December 31, 2003] *December 31, 2004*, enlists in the Selected Reserve of the Ready Reserve of an armed force.

* * * * * * *

§ 308d. Special pay: enlisted members of the Selected Reserve assigned to certain high priority units

(a) * * *

* * * * * * *

(c) Additional compensation may not be paid under this section for inactive duty performed after [December 31, 2003] *December 31, 2004*.

§ 308e. Special pay: bonus for reserve affiliation agreement

(a) * * *

* * * * * * *

(e) No bonus may be paid under this section to any person for a reserve obligation agreement entered into after [December 31, 2003] *December 31, 2004*.

* * * * * * *

§ 308h. Special pay: bonus for reenlistment, enlistment, or voluntary extension of enlistment in elements of the Ready Reserve other than the Selected Reserve

(a) * * *

* * * * * * *

(g) TERMINATION OF AUTHORITY.—A bonus may not be paid under this section to any person for a reenlistment, enlistment, or voluntary extension of an enlistment after [December 31, 2003] *December 31, 2004*.

§ 308i. Special pay: prior service enlistment bonus

(a) * * *

* * * * * * *

(f) TERMINATION OF AUTHORITY.—No bonus may be paid under this section to any person for an enlistment after [December 31, 2003] *December 31, 2004*.

§ 309. Special pay: enlistment bonus

(a) * * *

* * * * * * *

(e) DURATION OF AUTHORITY.—No bonus shall be paid under this section with respect to any enlistment in the armed forces made after [December 31, 2003] *December 31, 2004*.

§ 310. Special pay: duty subject to hostile fire or imminent danger

[(a) Under regulations prescribed by the Secretary of Defense, a member of a uniformed service may be paid special pay at the rate of $150 for any month in which he was entitled to basic pay and in which he—

[(1) was subject to hostile fire or explosion of hostile mines;

[(2) was on duty in an area in which he was in imminent danger of being exposed to hostile fire or explosion of hostile mines and in which, during the period he was on duty in the area, other members of the uniformed services were subject to hostile fire or explosion of hostile mines;

[(3) was killed, injured, or wounded by hostile fire, explosion of a hostile mine, or any other hostile action; or

[(4) was on duty in a foreign area in which he was subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions.

A member covered by clause (3) who is hospitalized for the treatment of his injury or wound may be paid special pay under this section for not more than three additional months during which he is so hospitalized.]

(a) ELIGIBILITY AND SPECIAL PAY AMOUNT.—Under regulations prescribed by the Secretary of Defense, a member of a uniformed

service may be paid special pay at the rate of $150 for any month in which—

(1) the member was entitled to basic pay or compensation under section 204 or 206 of this title; and

(2) the member—

(A) was subject to hostile fire or explosion of hostile mines;

(B) was on duty in an area in which the member was in imminent danger of being exposed to hostile fire or explosion of hostile mines and in which, during the period the member was on duty in the area, other members of the uniformed services were subject to hostile fire or explosion of hostile mines;

(C) was killed, injured, or wounded by hostile fire, explosion of a hostile mine, or any other hostile action; or

(D) was on duty in a foreign area in which the member was subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions.

(b) CONTINUATION DURING HOSPITALIZATION.—A member covered by subsection (a)(2)(C) who is hospitalized for the treatment of the injury or wound may be paid special pay under this section for not more than three additional months during which the member is so hospitalized.

[(b)**]** *(c) LIMITATIONS AND ADMINISTRATION.*—(1) A member may not be paid more than one special pay under this section for any month. A member may be paid special pay under this section in addition to any other pay and allowances to which he may be entitled.

* * * * * * *

[(c)**]** *(d) DETERMINATIONS OF FACT.*—Any determination of fact that is made in administering this section is conclusive. Such a 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 determination may be changed on the basis of new evidence or for other good cause.

§ 312. Special pay: nuclear-qualified officers extending period of active duty

(a) * * *

* * * * * * *

(e) The provisions of this section shall be effective only in the case of officers who, on or before **[**December 31, 2003**]** *December 31, 2004*, execute the required written agreement to remain in active service.

* * * * * * *

§ 312b. Special pay: nuclear career accession bonus

(a) * * *

* * * * * * *

(c) The provisions of this section shall be effective only in the case of officers who, on or before **[**December 31, 2003**]** *December 31, 2004*, have been accepted for training for duty in connection

with the supervision, operation, and maintenance of naval nuclear propulsion plants.

§ 312c. Special pay: nuclear career annual incentive bonus

(a) * * *

* * * * * * *

(d) For the purposes of this section, a "nuclear service year" is any fiscal year beginning before [December 31, 2003] *December 31, 2004*.

[§ 314. Special pay or bonus: qualified enlisted members extending duty at designated locations overseas]

§ 314. Special pay or bonus: qualified members extending duty at designated locations overseas

(a) COVERED MEMBERS.—This section applies with respect to [an enlisted member] *a member* of an armed force who—

(1) * * *

* * * * * * *

(b) SPECIAL PAY OR BONUS AUTHORIZED.—Upon the acceptance by the Secretary concerned of the agreement providing for an extension of the tour of duty of [an enlisted member] *a member* described in subsection (a), the member is entitled, at the election of the Secretary concerned, to either—

(1) * * *

* * * * * * *

§ 323. Special pay: retention incentives for members qualified in a critical military skill

(a) RETENTION BONUS AUTHORIZED.—An officer or enlisted member of the armed forces who is serving on active duty and is qualified in a designated critical military skill may be paid a retention bonus as provided in this section if—

(1) in the case of an officer, the member executes a written agreement to remain on active duty for at least [1 year] *one year*; or

(2) in the case of an enlisted member, the member reenlists or voluntarily extends the member's enlistment for a period of at least [1 year] *one year*.

(b) DESIGNATION OF CRITICAL SKILLS.—[(1)] A designated critical military skill referred to in subsection (a) is a military skill designated as critical by the Secretary of Defense, or by the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy.

[(2) The Secretary of Defense, and the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy, shall notify Congress, in advance, of each military skill to be designated by the Secretary as critical for purposes of this section. The notice shall be submitted at least 90 days before any bonus with regard to that critical skill is offered under subsection (a) and shall include a discussion of the necessity for the

bonus, the amount and method of payment of the bonus, and the retention results that the bonus is expected to achieve.]

* * * * * * *

(i) TERMINATION OF BONUS AUTHORITY.—No bonus may be paid under this section with respect to any reenlistment, or voluntary extension of an enlistment, in the armed forces entered into after [December 31, 2003] *December 31, 2004*, and no agreement under this section may be entered into after that date.

§ 324. Special pay: accession bonus for new officers in critical skills

(a) ACCESSION BONUS AUTHORIZED.—Under regulations prescribed by the Secretary concerned, a person who executes a written agreement to accept a commission *or an appointment* as an officer of the armed forces and serve on active duty in a designated critical officer skill for the period specified in the agreement may, upon acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

* * * * * * *

(f) REPAYMENT FOR FAILURE TO COMMENCE OR COMPLETE OBLIGATED SERVICE.—(1) An individual who, after having received all or part of the accession bonus under an agreement referred to in subsection (a), fails to accept a commission *or an appointment* as an officer or to commence or complete the total period of active duty service specified in the agreement shall repay to the United States the amount that bears the same ratio to the total amount of the bonus authorized for such person as the unserved part of the period of agreed active duty service bears to the total period of the agreed active duty service. However, the amount required to be repaid by the individual may not exceed the amount of the accession bonus that was paid to the individual.

* * * * * * *

(g) TERMINATION OF AUTHORITY.—No agreement under this section may be entered into after [December 31, 2003] *December 31, 2004*.

* * * * * * *

§ 326. Incentive bonus: lateral conversion bonus for service in critically short military occupational speciality

(a) INCENTIVE BONUS AUTHORIZED.—The Secretary concerned may pay a bonus under this section to a member of the armed forces who executes a written agreement to convert to, and serve for a period of not less than two years in, a critically short military occupational specialty.

(b) ELIGIBLE MEMBERS.—A bonus may only be paid under this section only to a member who—

(1) is entitled to basic pay; and

(2) is serving in pay grade E–6 (with less than 10 years of service computed under section 205 of this title) or pay grade E–5 or below (regardless of years of service) at the time the agreement under subsection (a) is executed.

(c) AMOUNT AND PAYMENT OF BONUS.—(1) A bonus under this section may not exceed $4,000.

(2) A bonus payable under this section shall be disbursed in one lump sum payment when the member's conversion to the critically short military occupational specialty is approved by the personnel chief of the member's armed force.

(d) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—A bonus paid to a member under this section is in addition to any other pay and allowances to which the member is entitled.

(e) REPAYMENT OF BONUS.—(1) A member who receives a bonus under this section and who, voluntarily or because of misconduct, fails to serve in the critically short military occupational specialty for the period specified in the agreement shall refund to the United States an amount that bears the same ratio to the bonus amount paid to the member as the unserved part of such period bears to the total period agreed to be served.

(2) An obligation to reimburse the United States imposed under paragraph (1) is, for all purposes, a debt owed to the United States.

(3) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of the agreement for which a bonus was paid under this section shall not discharge the person signing such agreement from the debt arising under paragraph (1).

(4) Under regulations prescribed pursuant to subsection (f), the Secretary concerned may waive, in whole in part, a refund required under paragraph (1) if the Secretary determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

(f) REGULATIONS.—The Secretaries concerned shall prescribe regulations to carry out this section. Regulations prescribed by the Secretary of a military department shall be subject to the approval of the Secretary of Defense.

(g) DEFINITION.—In this section, the term "critically short military occupational specialty" means a military occupational specialty, military rating, or other military speciality designated by the Secretary concerned as undermanned for purposes of this section.

(h) TERMINATION OF AUTHORITY.—No agreement under this section may be entered into after December 31, 2004.

CHAPTER 7—ALLOWANCES

Sec.
401. Definitions.

* * * * * * *

[436. Per diem allowance for lengthy or numerous deployments.]
436. Monthly high-deployment allowance for lengthy or numerous deployments.

* * * * * * *

§ 402. Basic allowance for subsistence

(a) * * *

(b) RATES OF ALLOWANCE BASED ON FOOD COSTS.—[(1) Through December 31, 2001, the monthly rate of basic allowance for subsistence to be in effect for an enlisted member for a year (beginning on January 1 of that year) shall be the amount that is halfway between the following amounts, which are determined by the Secretary of Agriculture as of October 1 of the preceding year:

[(A) The amount equal to the monthly cost of a moderate-cost food plan for a male in the United States who is between 20 and 50 years of age.

[(B) The amount equal to the monthly cost of a liberal food plan for a male in the United States who is between 20 and 50 years of age.]

(2) [On and after January 1, 2002, the] *The* monthly rate of basic allowance for subsistence to be in effect for an enlisted member for a year (beginning on January 1 of that year) shall be equal to the sum of—

(A) * * *

* * * * * * *

(f) SPECIAL RULE FOR HIGH-COST DUTY LOCATIONS AND OTHER UNIQUE AND UNUSUAL CIRCUMSTANCES.—The Secretary of Defense may authorize a member of the armed forces who is assigned to duty in a high-cost duty location or under other unique and unusual circumstances, but is not entitled to the meals portion of the per diem in connection with that duty, to receive any or all of the following:

(1) Meals at no cost to the member, regardless of the entitlement of the member to a basic allowance for subsistence under subsection (a).

(2) A basic allowance for subsistence at the standard rate, regardless of the entitlement of the member for all meals or select meals during the duty day.

(3) A supplemental subsistence allowance at a rate higher than the basic allowance for subsistence rates in effect under this section, regardless of the entitlement of the member for all meals or select meals during the duty day.

[(f)] *(g)* POLICIES ON USE OF DINING AND MESSING FACILITIES.—The Secretary of Defense, in consultation with the Secretaries concerned, shall prescribe policies regarding use of dining and field messing facilities of the uniformed services.

[(g)] *(h)* REGULATIONS.—(1) The Secretary of Defense shall prescribe regulations for the administration of this section. Before prescribing the regulations, the Secretary shall consult with each Secretary concerned.

* * * * * * *

§ 406. Travel and transportation allowances: dependents; baggage and household effects

(a) * * *

(b)(1)(A) * * *

(B) Subject to uniform regulations prescribed by the Secretaries concerned, in the case of a permanent change of station in which the Secretary concerned has authorized transportation of a motor vehicle under section 2634 of title 10 (except when such transportation is authorized from the old duty station to the new duty station), the member is entitled to a monetary allowance for transportation of that motor vehicle—

(i) * * *

* * * * * * *

Such monetary allowance shall be established at a rate per mile that does not exceed the rate established under section 404(d)(1) of this title. If clause (i)(I) applies to the transportation by the member of a motor vehicle from the old duty station, the monetary allowance under this subparagraph shall also cover return travel to the old duty station by the member or other person transporting the vehicle. In the case of transportation described in clause (ii), the monetary allowance shall also cover travel from the new duty station to the port of debarkation to pick up the vehicle. *In the case of the transportation of a motor vehicle arranged by the member under section 2634(h) of title 10, the Secretary concerned may pay the member, upon proof of shipment, a monetary allowance in lieu of transportation, as established under section 404(d)(1) of this title.*

* * * * * * *

(h)(1) * * *

* * * * * * *

(4)(A) The Secretary concerned shall provide to the dependents of a member the travel and transportation allowances described in paragraphs (1) and (3) in a case in which—

(i) a commander has substantiated that the member has committed dependent abuse, as defined in section 1059(c) of title 10;

(ii) a safety plan and counseling have been provided;

(iii) there has been a determination that the victim's safety is at stake and that relocation is the best course of action; and

(iv) the abused dependent, or parent of the abused dependent if the abused dependent is a child, requests relocation,

(B) In the case of allowances paid under subparagraph (A), any monetary allowances shall accrue to the dependents in lieu of the member and may be paid to the dependents.

(C) Shipment of the dependent's baggage and household effects, and of any motor vehicle, may not be provided until there is a property division established by written agreement with the member or by order of a court of competent jurisdiction.

* * * * * * *

§ 430. Travel and transportation: dependent children of members stationed overseas

(a) * * *

(b) ALLOWANCE AUTHORIZED.—(1) * * *

(2) At the option of the member, in lieu of the transportation of baggage of a dependent child under paragraph (1) from the dependent's school in the continental United States, the Secretary concerned may pay or reimburse the member for costs incurred to store the baggage at or in the vicinity of the school during the dependent's annual trip between the school and the member's duty station *or during a different period in the same fiscal year selected by the member*. The amount of the payment or reimbursement may not exceed the cost that the Government would incur to transport the baggage.

* * * * * * *

[§ 436. Per diem allowance for lengthy or numerous deployments]

§ 436. Monthly high-deployment allowance for lengthy or numerous deployments

[(a) PER DIEM REQUIRED.—The Secretary of the military department concerned shall pay a high-deployment per diem allowance to a member of the armed forces under the Secretary's jurisdiction for each day on which the member (1) is deployed, and (2) has, as of that day, been deployed 401 or more days out of the preceding 730 days. The Secretary shall pay the allowance from appropriations available for operation and maintenance for the armed force in which the member serves.]

(a) MONTHLY ALLOWANCE.—The Secretary of the military department concerned shall pay a high-deployment allowance to a member of the armed forces under the Secretary's jurisdiction for each month during which the member—

(1) is deployed; and

(2) at any time during that month—

(A) has been deployed for 191 or more consecutive days (or a lower number of consecutive days prescribed by the Secretary of Defense);

(B) has been deployed, out of the preceding 730 days, for a total of 401 or more days (or a lower number of days prescribed by the Secretary of Defense); or

(C) in the case of a member of a reserve component, is on active duty under a call or order to active duty for a period of more than 30 days that is the second (or later) such call or order to active duty (whether voluntary or involuntary) for that member in support of the same contingency operation.

* * * * * * *

[(c) AMOUNT OF PER DIEM.—The amount of the high-deployment per diem payable to a member under this section is $100.]

(c) RATE.—The monthly rate of the allowance payable to a member under this section shall be determined by the Secretary concerned, not to exceed $1,000 per month.

(d) PAYMENT OF CLAIMS.—A claim of a member for payment of the high-deployment [per diem] allowance that is not fully substantiated by the recordkeeping system applicable to the member under section 991(c) of title 10 shall be paid if the member furnishes the Secretary concerned with other evidence determined by the Secretary as being sufficient to substantiate the claim.

(e) RELATIONSHIP TO OTHER ALLOWANCES.—A high-deployment [per diem] *allowance* payable to a member under this section is in addition to any other pay or allowance payable to the member under any other provision of law.

(f) NATIONAL SECURITY WAIVER.—No [per diem] *allowance* may be paid under this section to a member for any [day on] *month during* which the applicability of section 991 of title 10 to the member is suspended under subsection (d) of that section.

(g) AUTHORITY TO EXCLUDE CERTAIN DUTY ASSIGNMENTS.—The Secretary concerned may exclude members serving in specified duty assignments from eligibility for the high-deployment allowance while serving in those assignments. Any such specification of duty

assignments may only be made with the approval of the Secretary of Defense. Specification of a particular duty assignment for purposes of this subsection may not be implemented so as to apply to the member serving in that position at the time of such specification.

* * * * * * *

SECTION 521 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

SEC. 521. AWARD OF PURPLE HEART TO PERSONS WOUNDED WHILE HELD AS PRISONERS OF WAR BEFORE APRIL 25, 1962.

(a) * * *

[(b) STANDARDS FOR AWARD.—An award of the Purple Heart under subsection (a) shall be made in accordance with the standards in effect on the date of the enactment of this Act for the award of the Purple Heart to persons wounded on or after April 25, 1962.]

(b) STANDARDS AND PROCEDURES FOR AWARD.—In determining whether a former prisoner of war is eligible for the award of the Purple Heart under subsection (a), the Secretary concerned shall apply the following procedures:

(1) The standard to be used by the Secretary concerned for awarding the Purple Heart under this section shall be to award the Purple Heart in any case in which a prisoner of war (A) was wounded while in captivity, or (B) while in captivity was subjected to systematic and prolonged deprivation of food, medical treatment, and other forms of deprivation or mistreatment likely to have prolonged aftereffects on the individual concerned.

(2) When a former prisoner of war applies for the Purple Heart under subsection (a), the Secretary concerned may request the former prisoner of war to provide any documentation that the Secretary would otherwise require, but failure of the former prisoner of war to provide such documentation shall not by itself be a disqualification for award of the Purple Heart.

(3) The Secretary concerned shall inform the former prisoner of war that historical information as to the prison camp or other circumstances in which the former prisoner of war was held captive and other information as to the circumstances of the former prisoner of war's captivity may be considered by the Secretary in evaluating the application for the award of the Purple Heart and that the former prisoner of war may submit such information.

(4) The Secretary concerned shall provide assistance to the applicant for the Purple Heart in obtaining information referred to in paragraph (3).

(5) The Secretary shall review a completed application under this section based upon the totality of the evidence presented and shall take into account the length of time between the period during which the applicant was held as a prisoner of war and the date of the application.

(6) In considering an application under this section, the Secretary shall take into account the length of time that the ap-

plicant was held in captivity, which while not in itself establishing entitlement of the applicant to award of the Purple Heart, can and should be a factor in determining whether a former prisoner of war was likely to have been wounded, starved, or denied medical treatment to the extent likely to have prolonged aftereffects on the individual concerned.

* * * * * * *

TITLE 5, UNITED STATES CODE

* * * * * * *

PART III—EMPLOYEES

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Subpart I—Miscellaneous

95. Personnel flexibilities relating to the Internal Revenue Service 9501

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99. Department of Defense National Security Personnel System 9901

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Subpart D—Pay and Allowances

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CHAPTER 53—PAY RATES AND SYSTEMS

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SUBCHAPTER I—PAY COMPARABILITY SYSTEM

* * * * * * *

§ 5304. Locality-based comparability payments

(a) * * *

* * * * * * *

(g)(1) * * *

(2) The applicable maximum under this subsection shall be level III of the Executive Schedule for—

(A) positions under [subparagraphs (A)–(E)] *subparagraphs (A)–(D)* of subsection (h)(1); and

(B) any positions under [subsection (h)(1)(F)] *subsection (h)(1)(D)* which the President may determine.

(h)(1) For the purpose of this subsection, the term "position" means—

(A) * * *

[(B) a Senior Executive Service position under section 3132;

[(C) a position in the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service under section 3151;]

[(D)] *(B)* a position to which section 5372 applies (relating to administrative law judges appointed under section 3105);

[(E)] *(C)* a position to which section 5372a applies (relating to contract appeals board members); and

[(F)] *(D)* a position within an Executive agency not covered under the General Schedule or any of the preceding subparagraphs, the rate of basic pay for which is (or, but for this section, would be) no more than the rate payable for level IV of the Executive Schedule;

but does not include—

(i) * * *

(ii) a position as to which a rate of pay is authorized under section 5377 (relating to critical positions); [or]

(iii) a position to which subchapter II applies (relating to the Executive Schedule)[.]*;*

(iv) a Senior Executive Service position under section 3132;

(v) a position in the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service under section 3151; or

(vi) a position in a system equivalent to the system in clause (iv), as determined by the President's Pay Agent designated under subsection (d).

(2)(A) * * *

(B) A request by an agency head or exercise of authority by the President under subparagraph (A) shall cover—

(i) with respect to the positions under [subparagraphs (A) through (E)] *subparagraphs (A) through (C)* of paragraph (1), all positions described in the subparagraph or subparagraphs involved (excluding any under [clause (i) or (ii)] *clause (i), (ii), (iii), (iv), (v), or (vii)* of such paragraph); and

(ii) with respect to the positions under [paragraph (1)(F)] *paragraph (1)(D)*, such positions as may be considered appropriate (excluding any under [clause (i) or (ii)] *clause (i), (ii), (iii), (iv), (v), or (vi)* of paragraph (1)).

* * * * * * *

SUBCHAPTER IV—PREVAILING RATE SYSTEMS

* * * * * * *

§ 5343. Prevailing rate determinations; wage schedules; night differentials

(a) * * *

* * * * * * *

(c) The Office of Personnel Management, by regulation, shall prescribe practices and procedures for conducting wage surveys, analyzing wage survey data, developing and establishing wage schedules and rates, and administering the prevailing rate system. The regulations shall provide—

(1) * * *

* * * * * * *

(4) for proper differentials, as determined by the Office, for duty involving unusually severe working conditions or unusually severe hazards*, and for any hardship or hazard related to*

asbestos, such differentials shall be determined by applying occupational safety and health standards consistent with the permissible exposure limit promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970;

* * * * * * *

SUBCHAPTER VII—MISCELLANEOUS PROVISIONS

* * * * * * *

§ 5379. Student loan repayments

(a) * * *

(b)(1) * * *

(2) Payments under this section shall be made subject to such terms, limitations, or conditions as may be mutually agreed to by the agency and employee concerned, except that the amount paid by an agency under this section may not exceed—

(A) [$6,000] *$10,000* for any employee in any calendar year; or

* * * * * * *

SUBCHAPTER VIII—PAY FOR THE SENIOR EXECUTIVE SERVICE

* * * * * * *

[§ 5382. Establishment and adjustment of rates of pay for the Senior Executive Service

[(a) There shall be 5 or more rates of basic pay for the Senior Executive Service, and each senior executive shall be paid at one of the rates. The rates of basic pay shall be initially established and thereafter adjusted by the President subject to subsection (b) of this section.

[(b) In setting rates of basic pay, the lowest rate for the Senior Executive Service shall not be less than the minimum rate of basic pay payable under section 5376 and the highest rate shall not exceed the rate for level IV of the Executive Schedule. The payment of the rates shall not be subject to the pay limitation of section 5306(e) or 5373 of this title.

[(c) Subject to subsection (b) of this section, effective at the beginning of the first applicable pay period commencing on or after the first day of the month in which an adjustment takes effect under section 5303 of this title in the rates of pay under the General Schedule, each rate of basic pay for the Senior Executive Service shall be adjusted by an amount determined by the President to be appropriate.

[(d) The rates of basic pay that are established and adjusted under this section shall be printed in the Federal Register and shall supersede any prior rates of basic pay for the Senior Executive Service.]

§ 5382. Establishment of rates of pay for the Senior Executive Service

(a) Subject to regulations prescribed by the Office of Personnel Management, there shall be established a range of rates of basic pay

for the Senior Executive Service, and each senior executive shall be paid at one of the rates within the range, based on individual performance, contribution to the agency's performance, or both, as determined under a rigorous performance management system. The lowest rate of the range shall not be less than the minimum rate of basic pay payable under section 5376, and the highest rate, for any position under this system or an equivalent system as determined by the President's Pay Agent designated under section 5304(d), shall not exceed the rate for level III of the Executive Schedule. The payment of the rates shall not be subject to the pay limitation of section 5306(e) or 5373.

(b) Notwithstanding the provisions of subsection (a), the applicable maximum shall be level II of the Executive Schedule for any agency that is certified under section 5307 as having a performance appraisal system which, as designed and applied, makes meaningful distinctions based on relative performance.

(c) No employee may suffer a reduction in pay by reason of transfer from an agency with an applicable maximum rate of pay prescribed under subsection (b) to an agency with an applicable maximum rate of pay prescribed under subsection (a).

§ 5383. Setting individual senior executive pay

(a) Each appointing authority shall determine, in accordance with criteria established by the Office of Personnel Management, **[**which of the rates established under section 5382 of this title**]** *which of the rates within a range established under section 5382* shall be paid to each senior executive under such appointing authority.

* * * * * * *

(c) Except **[**for any pay adjustment under section 5382 of this title**]** *as provided in regulations prescribed by the Office under section 5385*, the rate of basic pay for any senior executive may not be adjusted more than once during any 12-month period.

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CHAPTER 55—PAY ADMINISTRATION

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SUBCHAPTER I—GENERAL PROVISIONS

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§ 5504. Biweekly pay periods; computation of pay

(a) The pay period for an employee covers two administrative workweeks. **[**For the purpose of this subsection, "employee" means—

[(1) an employee in or under an Executive agency;

[(2) an employee in or under the Office of the Architect of the Capitol, the Botanic Garden, and the Library of Congress, for whom a basic administrative workweek is established under section 6101(a)(5) of this title; and

[(3) an individual employed by the government of the District of Columbia;

but does not include—

[(A) an employee on the Isthmus of Panama in the service of the Panama Canal Commission; or

[(B) an employee or individual excluded from the definition of employee in section 5541(2) of this title other than an employee or individual excluded by section 5541(2)(xvi) of this title.]

(b) When, in the case of an employee, it is necessary for computation of pay under this subsection to convert an annual rate of basic pay to a basic hourly, daily, weekly, or biweekly rate, the following rules govern:

(1) * * *

* * * * * * *

Rates are computed to the nearest cent, counting one-half and over as a whole cent. [For the purpose of this subsection, "employee" means—

[(A) an employee in or under an Executive agency;

[(B) an employee in or under the judicial branch;

[(C) an employee in or under the Office of the Architect of the Capitol, the Botanic Garden, and the Library of Congress, for whom a basic administrative workweek is established under section 6101(a)(5) of this title; and

[(D) an individual employed by the government of the District of Columbia;

but does not include an employee or individual excluded from the definition of employee in section 5541(2) of this title other than an employee or individual excluded by section 5541(2)(xvi) of this title.]

(c) For the purposes of this section:

(1) The term "employee" means—

(A) an employee in or under an Executive agency;

(B) an employee in or under the Office of the Architect of the Capitol, the Botanic Garden, and the Library of Congress, for whom a basic administrative workweek is established under section 6101(a)(5) of this title; and

(C) an individual employed by the government of the District of Columbia.

(2) The term "employee" does not include—

(A) an employee on the Isthmus of Panama in the service of the Panama Canal Commission; or

(B) an employee or individual excluded from the definition of employee in section 5541(2) of this title other than an employee or individual excluded by clauses (ii), (iii), and (xiv) through (xvii) of such section.

(3) Notwithstanding paragraph (2), an individual who otherwise would be excluded from the definition of employee shall be deemed to be an employee for purposes of this section if the individual's employing agency so elects, under guidelines in regulations promulgated by the Office of Personnel Management under subsection (d)(2).

[(c)] *(d)(1)* The Office of Personnel Management may prescribe regulations, subject to the approval of the President, necessary for the administration of this section insofar as this section affects employees in or under an Executive agency.

(2) The Office of Personnel Management shall provide guidelines by regulation for exemptions to be made by the heads of agen-

cies under subsection (c)(3). Such guidelines shall provide for such exemptions only under exceptional circumstances.

* * * * * * *

SUBCHAPTER V—PREMIUM PAY

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§ 5542. Overtime rates; computation

(a) For full-time, part-time and intermittent tours of duty, hours of work officially ordered or approved in excess of 40 hours in an administrative workweek, or (with the exception of an employee engaged in professional or technical engineering or scientific activities for whom the first 40 hours of duty in an administrative workweek is the basic workweek and an employee whose basic pay exceeds the minimum rate for GS–10 (including any applicable locality-based comparability payment under section 5304 or similar provision of law and any applicable special rate of pay under section 5305 or similar provision of law) for whom the first 40 hours of duty in an administrative workweek is the basic workweek) in excess of 8 hours in a day, performed by an employee are overtime work and shall be paid for, except as otherwise provided by this subchapter, at the following rates:

(1) * * *

(2) For an employee whose basic pay is at a rate which exceeds the minimum rate of basic pay for GS–10 (including any applicable locality-based comparability payment under section 5304 or similar provision of law and any applicable special rate of pay under section 5305 or similar provision of law), the overtime hourly rate of pay is an amount equal to *the greater of* one and one-half times the hourly rate of the minimum rate of basic pay for GS–10 (including any applicable locality-based comparability payment under section 5304 or similar provision of law and any applicable special rate of pay under section 5305 or similar provision of law) *or the hourly rate of basic pay of the employee*, and all that amount is premium pay.

* * * * * * *

§ 5545. Night, standby, irregular, and hazardous duty differential

(a) * * *

* * * * * * *

(d) The Office shall establish a schedule or schedules of pay differentials for duty involving unusual physical hardship or hazard*, and for any hardship or hazard related to asbestos, such differentials shall be determined by applying occupational safety and health standards consistent with the permissible exposure limit promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970*. Under such regulations as the Office may prescribe, and for such minimum periods as it determines appropriate, an employee to whom chapter 51 and subchapter III of chapter 53 of this title applies is entitled to be paid the appropriate differential for any period in which he is subjected to physical

hardship or hazard not usually involved in carrying out the duties of his position. However, the pay differential—

(1) * * *

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Subpart E—Attendance and Leave

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CHAPTER 63—LEAVE

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SUBCHAPTER II—OTHER PAID LEAVE

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§ 6323. Military leave; Reserves and National Guardsmen

(a) * * *

(b) Except as provided by section 5519 of this title, an employee as defined by section 2105 of this title or an individual employed by the government of the District of Columbia, permanent or temporary indefinite, who—

(1) * * *

(2)*(A)* performs, for the purpose of providing military aid to enforce the law or for the purpose of providing assistance to civil authorities in the protection or saving of life or property or the prevention of injury—

[(A)**]** *(i)* Federal service under section 331, 332, 333, or 12406 of title 10, or other provision of law, as applicable, or

[(B)**]** *(ii)* full-time military service for his State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory of the United States; *or*

(B) performs full-time military service as a result of a call or order to active duty in support of a contingency operation as defined in section 101(a)(13) of title 10;

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Subpart F—Labor-Management and Employee Relations

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CHAPTER 73—SUITABILITY, SECURITY, AND CONDUCT

SUBCHAPTER I—REGULATION OF CONDUCT

Sec.
7301. Presidential regulations.
7302. Post-employment notification.

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SUBCHAPTER I—REGULATION OF CONDUCT

* * * * * * *

§ 7302. Post-employment notification

(a) Not later than the effective date of the amendments made by sections 3 and 4 of the Federal Employees Pay for Performance Act of 2003, or 180 days after the date of enactment of that Act, whichever is later, the Office of Personnel Management shall, in consultation with the Attorney General and the Office of Government Ethics, promulgate regulations requiring that each Executive branch agency notify any employee of that agency who is subject to the provisions of section 207(c)(1) of title 18, as a result of the amendment to section 207(c)(2)(A)(ii) of that title by that Act.

(b) The regulations shall require that notice be given before, or as part of, the action that affects the employee's coverage under section 207(c)(1) of title 18, by virtue of the provisions of section 207(c)(2)(A)(ii) of that title, and again when employment or service in the covered position is terminated.

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Subpart G—Insurance and Annuities

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CHAPTER 89—HEALTH INSURANCE

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§ 8905a. Continued coverage

(a) * * *

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(d)(1) * * *

* * * * * * *

(5)(A) If the basis for continued coverage under this section is an involuntary separation from a position in or under the Department of Veterans Affairs due to a reduction in force or a title 38 staffing readjustment, or a voluntary or involuntary separation from a Department of Energy position at a Department of Energy facility at which the Secretary is carrying out a closure project selected under ⟦section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (42 U.S.C. 7274n)⟧ *section 4421 of the Atomic Energy Defense Act—*

(i) * * *

* * * * * * *

CHAPTER 90—LONG-TERM CARE INSURANCE

* * * * * * *

§ 9001. Definitions

For purposes of this chapter:

(1) EMPLOYEE.—The term "employee" means—

(A) * * *

* * * * * * *

(D) an employee of a nonappropriated fund instrumentality of the Department of Defense described in section [2105(c),

but does not include an individual employed by the government of the District of Columbia (other than an employee of the District of Columbia Courts).] *2105(c).*

(2) ANNUITANT.—The term "annuitant" means—

(A) any individual who would satisfy the requirements of paragraph (3) of section 8901 if, for purposes of such paragraph, the term "employee" were considered to have the meaning given to it under paragraph (1) of this subsection; [and]

(B) any individual who—

(i) * * *

(iii) would not (but for this subparagraph) otherwise satisfy the requirements of this paragraph[.]*; and*

(C) any former employee who, on the basis of his or her service, would meet all requirements for being considered an "annuitant" within the meaning of subchapter III of chapter 83, chapter 84, or any other retirement system for employees of the Government, but for the fact that such former employee has not attained the minimum age for title to annuity.

* * * * * * *

(4) RETIRED MEMBER OF THE UNIFORMED SERVICES.—The term "retired member of the uniformed services" means a member or former member of the uniformed services entitled to retired or retainer pay, [including a member or former member retired under chapter 1223 of title 10 who has] *and a member who has been transferred to the Retired Reserve and who would be entitled to retired pay under chapter 1223 of title 10 but for not having* attained the age of 60 and who satisfies such eligibility requirements as the Office of Personnel Management prescribes under section 9008.

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Subpart I—Miscellaneous

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CHAPTER 99—DEPARTMENT OF DEFENSE NATIONAL SECURITY PERSONNEL SYSTEM

Sec.
9901. Definitions.
9902. Establishment of human resources management system.
9903. Attracting highly qualified experts.
9904. Employment of older Americans.
9905. Special pay and benefits for certain employees outside the United States.

§ 9901. Definitions

For purposes of this chapter—

(1) the term "Director" means the Director of the Office of Personnel Management; and

(2) the term "Secretary" means the Secretary of Defense.

§ 9902. Establishment of human resources management system

(a) IN GENERAL.—Notwithstanding any other provision of this part, the Secretary may, in regulations prescribed jointly with the Director, establish, and from time to time adjust, a human resources management system for some or all of the organizational or functional units of the Department of Defense. If the Secretary certifies that issuance or adjustment of a regulation, or the inclusion, exclusion, or modification of a particular provision therein, is essential to the national security, the Secretary may, subject to the decision of the President, waive the requirement in the preceding sentence that the regulation or adjustment be issued jointly with the Director.

(b) SYSTEM REQUIREMENTS.—Any system established under subsection (a) shall—

(1) be flexible;

(2) be contemporary;

(3) not waive, modify, or otherwise affect—

(A) the public employment principles of merit and fitness set forth in section 2301, including the principles of hiring based on merit, fair treatment without regard to political affiliation or other nonmerit considerations, equal pay for equal work, and protection of employees against reprisal for whistleblowing;

(B) any provision of section 2302, relating to prohibited personnel practices;

(C)(i) any provision of law referred to in section 2302(b)(1), (8), and (9); or

(ii) any provision of law implementing any provision of law referred to in section 2302(b)(1), (8), and (9) by—

(I) providing for equal employment opportunity through affirmative action; or

(II) providing any right or remedy available to any employee or applicant for employment in the public service;

(D) any other provision of this part (as described in subsection (c)); or

(E) any rule or regulation prescribed under any provision of law referred to in this paragraph;

(4) ensure that employees may organize, bargain collectively as provided for in this chapter, and participate through labor organizations of their own choosing in decisions which affect them, subject to the provisions of this chapter and any exclusion from coverage or limitation on negotiability established pursuant to law;

(5) not be limited by any specific law or authority under this title that is waivable under this chapter or by any provision of this chapter or any rule or regulation prescribed under this title that is waivable under this chapter, except as specifically provided for in this section; and

(6) include a performance management system that incorporates the following elements:

(A) adherence to merit principles set forth in section 2301;

(B) a fair, credible, and transparent employee performance appraisal system;

(C) a link between the performance management system and the agency's strategic plan;

(D) a means for ensuring employee involvement in the design and implementation of the system;

(E) adequate training and retraining for supervisors, managers, and employees in the implementation and operation of the performance management system;

(F) a process for ensuring ongoing performance feedback and dialogue between supervisors, managers, and employees throughout the appraisal period, and setting timetables for review;

(G) effective safeguards to ensure that the management of the system is fair and equitable and based on employee performance; and

(H) a means for ensuring that adequate agency resources are allocated for the design, implementation, and administration of the performance management system.

(c) OTHER NONWAIVABLE PROVISIONS.—The other provisions of this part referred to in subsection (b)(3)(D) are (to the extent not otherwise specified in this title)—

(1) subparts A, B, E, G, and H of this part; and

(2) chapters 41, 45, 47, 55 (except subchapter V thereof), 57, 59, 72, 73, and 79, and this chapter.

(d) LIMITATIONS RELATING TO PAY.—(1) Nothing in this section shall constitute authority to modify the pay of any employee who serves in an Executive Schedule position under subchapter II of chapter 53 of this title.

(2) Except as provided for in paragraph (1), the total amount in a calendar year of allowances, differentials, bonuses, awards, or other similar cash payments paid under this title to any employee who is paid under section 5376 or 5383 of this title or under title 10 or under other comparable pay authority established for payment of Department of Defense senior executive or equivalent employees may not exceed the total annual compensation payable to the Vice President under section 104 of title 3.

(3) To the maximum extent practicable, the rates of compensation for civilian employees at the Department of Defense shall be adjusted at the same rate, and in the same proportion, as are rates of compensation for members of the uniformed services.

(e) PROVISIONS TO ENSURE COLLABORATION WITH EMPLOYEE REPRESENTATIVES.—(1) In order to ensure that the authority of this section is exercised in collaboration with, and in a manner that ensures the participation of, employee representatives in the planning, development, and implementation of any human resources management system or adjustments to such system under this section, the Secretary and the Director shall provide for the following:

(A) The Secretary and the Director shall, with respect to any proposed system or adjustment—

(i) provide to the employee representatives representing any employees who might be affected a written description of the proposed system or adjustment (including the reasons why it is considered necessary);

(ii) give such representatives at least 30 calendar days (unless extraordinary circumstances require earlier action) to review and make recommendations with respect to the proposal; and

(iii) give any recommendations received from such representatives under clause (ii) full and fair consideration in deciding whether or how to proceed with the proposal.

(B) Following receipt of recommendations, if any, from such employee representatives with respect to a proposal described in subparagraph (A), the Secretary and the Director shall accept such modifications to the proposal in response to the recommendations as they determine advisable and shall, with respect to any parts of the proposal as to which they have not accepted the recommendations—

(i) notify Congress of those parts of the proposal, together with the recommendations of the employee representatives;

(ii) meet and confer for not less than 30 calendar days with the employee representatives, in order to attempt to reach agreement on whether or how to proceed with those parts of the proposal; and

(iii) at the Secretary's option, or if requested by a majority of the employee representatives participating, use the services of the Federal Mediation and Conciliation Service during such meet and confer period to facilitate the process of attempting to reach agreement.

(C)(i) Any part of the proposal as to which the representatives do not make a recommendation, or as to which the recommendations are accepted by the Secretary and the Director, may be implemented immediately.

(ii) With respect to any parts of the proposal as to which recommendations have been made but not accepted by the Secretary and the Director, at any time after 30 calendar days have elapsed since the initiation of the congressional notification, consultation, and mediation procedures set forth in subparagraph (B), if the Secretary, in his discretion, determines that further consultation and mediation is unlikely to produce agreement, the Secretary may implement any or all of such parts (including any modifications made in response to the recommendations as the Secretary determines advisable), but only after 30 days have elapsed after notifying Congress of the decision to implement the part or parts involved (as so modified, if applicable).

(iii) The Secretary shall notify Congress promptly of the implementation of any part of the proposal and shall furnish with such notice an explanation of the proposal, any changes made to the proposal as a result of recommendations from the employee representatives, and of the reasons why implementation is appropriate under this subparagraph.

(D) If a proposal described in subparagraph (A) is implemented, the Secretary and the Director shall—

(i) develop a method for the employee representatives to participate in any further planning or development which might become necessary; and

(ii) give the employee representatives adequate access to information to make that participation productive.

(2) The Secretary may, at the Secretary's discretion, engage in any and all collaboration activities described in this subsection at an organizational level above the level of exclusive recognition.

(3) In the case of any employees who are not within a unit with respect to which a labor organization is accorded exclusive recognition, the Secretary and the Director may develop procedures for representation by any appropriate organization which represents a substantial percentage of those employees or, if none, in such other manner as may be appropriate, consistent with the purposes of this subsection.

(f) PROVISIONS REGARDING NATIONAL LEVEL BARGAINING.—(1) Any human resources management system implemented or modified under this chapter may include employees of the Department of Defense from any bargaining unit with respect to which a labor organization has been accorded exclusive recognition under chapter 71 of this title.

(2) For any bargaining unit so included under paragraph (1), the Secretary may bargain at an organizational level above the level of exclusive recognition. Any such bargaining shall—

(A) be binding on all subordinate bargaining units at the level of recognition and their exclusive representatives, and the Department of Defense and its subcomponents, without regard to levels of recognition;

(B) supersede all other collective bargaining agreements, including collective bargaining agreements negotiated with an exclusive representative at the level of recognition, except as otherwise determined by the Secretary;

(C) not be subject to further negotiations for any purpose, including bargaining at the level of recognition, except as provided for by the Secretary; and

(D) except as otherwise specified in this chapter, not be subject to review or to statutory third-party dispute resolution procedures outside the Department of Defense.

(3) The National Guard Bureau and the Army and Air Force National Guard are excluded from coverage under this subsection.

(4) Any bargaining completed pursuant to this subsection with a labor organization not otherwise having national consultation rights with the Department of Defense or its subcomponents shall not create any obligation on the Department of Defense or its subcomponents to confer national consultation rights on such a labor organization.

(g) PROVISIONS RELATING TO APPELLATE PROCEDURES.—(1) The Secretary shall—

(A) establish an appeals process that provides that employees of the Department of Defense are entitled to fair treatment in any appeals that they bring in decisions relating to their employment; and

(B) in prescribing regulations for any such appeals process—

(i) ensure that employees of the Department of Defense are afforded the protections of due process; and

(ii) toward that end, be required to consult with the Merit Systems Protection Board before issuing any such regulations.

(2) Any regulations establishing the appeals process required by paragraph (1) that relate to any matters within the purview of chapter 77 shall—

(A) provide for an independent review panel, appointed by the President, which shall not include the Secretary or the Deputy Secretary of Defense or any of their subordinates;

(B) be issued only after—

(i) notification to the appropriate committees of Congress; and

(ii) consultation with the Merit Systems Protection Board and the Equal Employment Opportunity Commission;

(C) ensure the availability of procedures that—

(i) are consistent with requirements of due process; and

(ii) provide, to the maximum extent practicable, for the expeditious handling of any matters involving the Department of Defense; and

(D) modify procedures under chapter 77 only insofar as such modifications are designed to further the fair, efficient, and expeditious resolution of matters involving the employees of the Department of Defense.

(h) PROVISIONS RELATED TO SEPARATION AND RETIREMENT INCENTIVES.—(1) The Secretary may establish a program within the Department of Defense under which employees may be eligible for early retirement, offered separation incentive pay to separate from service voluntarily, or both. This authority may be used to reduce the number of personnel employed by the Department of Defense or to restructure the workforce to meet mission objectives without reducing the overall number of personnel. This authority is in addition to, and notwithstanding, any other authorities established by law or regulation for such programs.

(2) For purposes of this section, the term "employee" means an employee of the Department of Defense, serving under an appointment without time limitation, except that such term does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of this title, or another retirement system for employees of the Federal Government;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under any of the retirement systems referred to in paragraph (1); or

(C) for purposes of eligibility for separation incentives under this section, an employee who is in receipt of a decision notice of involuntary separation for misconduct or unacceptable performance.

(3) An employee who is at least 50 years of age and has completed 20 years of service, or has at least 25 years of service, may, pursuant to regulations promulgated under this section, apply and be retired from the Department of Defense and receive benefits in ac-

cordance with chapter 83 or 84 if the employee has been employed continuously within the Department of Defense for more than 30 days before the date on which the determination to conduct a reduction or restructuring within 1 or more Department of Defense components is approved pursuant to the program established under subsection (a).

(4)(A) Separation pay shall be paid in a lump sum or in installments and shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of this title, if the employee were entitled to payment under such section; or

(ii) $25,000.

(B) Separation pay shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit. Separation pay shall not be taken into account for the purpose of determining the amount of any severance pay to which an individual may be entitled under section 5595 of this title, based on any other separation.

(C) Separation pay, if paid in installments, shall cease to be paid upon the recipient's acceptance of employment by the Federal Government, or commencement of work under a personal services contract as described in paragraph (5).

(5)(A) An employee who receives separation pay under such program may not be reemployed by the Department of Defense for a 12-month period beginning on the effective date of the employee's separation, unless this prohibition is waived by the Secretary on a case-by-case basis.

(B) An employee who receives separation pay under this section on the basis of a separation occurring on or after the date of the enactment of the Federal Workforce Restructuring Act of 1994 (Public Law 103–236; 108 Stat. 111) and accepts employment with the Government of the United States, or who commences work through a personal services contract with the United States within 5 years after the date of the separation on which payment of the separation pay is based, shall be required to repay the entire amount of the separation pay to the Department of Defense. If the employment is with an Executive agency (as defined by section 105 of this title) other than the Department of Defense, the Director may, at the request of the head of that agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position. If the employment is within the Department of Defense, the Secretary may waive the repayment if the individual involved is the only qualified applicant available for the position. If the employment is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position. If the employment is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(6) Under this program, early retirement and separation pay may be offered only pursuant to regulations established by the Secretary, subject to such limitations or conditions as the Secretary may require.

(i) PROVISIONS RELATING TO REEMPLOYMENT.—If annuitant receiving an annuity from the Civil Service Retirement and Disability Fund becomes employed in a position within the Department of Defense, his annuity shall continue. An annuitant so reemployed shall not be considered an employee for purposes of chapter 83 or 84.

(j) ADDITIONAL PROVISIONS RELATING TO PERSONNEL MANAGEMENT.—Notwithstanding subsection (c), the Secretary may exercise authorities that would otherwise be available to the Secretary under paragraphs (1), (3), and (8) of section 4703(a) of this title.

§ 9903. Attracting highly qualified experts

(a) IN GENERAL.—The Secretary may carry out a program using the authority provided in subsection (b) in order to attract highly qualified experts in needed occupations, as determined by the Secretary.

(b) AUTHORITY.—Under the program, the Secretary may—

(1) appoint personnel from outside the civil service and uniformed services (as such terms are defined in section 2101 of this title) to positions in the Department of Defense without regard to any provision of this title governing the appointment of employees to positions in the Department of Defense;

(2) prescribe the rates of basic pay for positions to which employees are appointed under paragraph (1) at rates not in excess of the maximum rate of basic pay authorized for senior-level positions under section 5376 of this title, as increased by locality-based comparability payments under section 5304 of this title, notwithstanding any provision of this title governing the rates of pay or classification of employees in the executive branch; and

(3) pay any employee appointed under paragraph (1) payments in addition to basic pay within the limits applicable to the employee under subsection (d).

(c) LIMITATION ON TERM OF APPOINTMENT.—(1) Except as provided in paragraph (2), the service of an employee under an appointment made pursuant to this section may not exceed 5 years.

(2) The Secretary may, in the case of a particular employee, extend the period to which service is limited under paragraph (1) by up to 1 additional year if the Secretary determines that such action is necessary to promote the Department of Defense's national security missions.

(d) LIMITATIONS ON ADDITIONAL PAYMENTS.—(1) The total amount of the additional payments paid to an employee under this section for any 12-month period may not exceed the lesser of the following amounts:

(A) $50,000 in fiscal year 2004, which may be adjusted annually thereafter by the Secretary, with a percentage increase equal to one-half of 1 percentage point less than the percentage by which the Employment Cost Index, published quarterly by the Bureau of Labor Statistics, for the base quarter of the year before the preceding calendar year exceeds the Employment Cost Index for the base quarter of the second year before the preceding calendar year.

(B) The amount equal to 50 percent of the employee's annual rate of basic pay.

For purposes of this paragraph, the term "base quarter" has the meaning given such term by section 5302(3).

(2) An employee appointed under this section is not eligible for any bonus, monetary award, or other monetary incentive for service except for payments authorized under this section.

(3) Notwithstanding any other provision of this subsection or of section 5307, no additional payments may be paid to an employee under this section in any calendar year if, or to the extent that, the employee's total annual compensation will exceed the maximum amount of total annual compensation payable at the salary set in accordance with section 104 of title 3.

(e) SAVINGS PROVISIONS.—In the event that the Secretary terminates this program, in the case of an employee who, on the day before the termination of the program, is serving in a position pursuant to an appointment under this section—

(1) the termination of the program does not terminate the employee's employment in that position before the expiration of the lesser of—

(A) the period for which the employee was appointed; or

(B) the period to which the employee's service is limited under subsection (c), including any extension made under this section before the termination of the program; and

(2) the rate of basic pay prescribed for the position under this section may not be reduced as long as the employee continues to serve in the position without a break in service.

§ 9904. Employment of older Americans

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may appoint older Americans into positions in the excepted service for a period not to exceed 2 years, provided that—

(1) any such appointment shall not result in—

(A) the displacement of individuals currently employed by the Department of Defense (including partial displacement through reduction of nonovertime hours, wages, or employment benefits); or

(B) the employment of any individual when any other person is in a reduction-in-force status from the same or substantially equivalent job within the Department of Defense; and

(2) the individual to be appointed is otherwise qualified for the position, as determined by the Secretary.

(b) EFFECT ON EXISTING RETIREMENT BENEFITS.—Notwithstanding any other provision of law, an individual appointed pursuant to subsection (a) who otherwise is receiving an annuity, pension, retired pay, or other similar payment shall not have the amount of said annuity, pension, or other similar payment reduced as a result of such employment.

(c) EXTENSION OF APPOINTMENT.—Notwithstanding subsection (a), the Secretary may extend an appointment made pursuant to this section for up to an additional 2 years if the individual employee possesses unique knowledge or abilities that are not otherwise available to the Department of Defense.

(d) DEFINITION.—For purposes of this section, the term "older American" means any citizen of the United States who is at least 55 years of age.

§ 9905. Special pay and benefits for certain employees outside the United States

The Secretary may provide to certain civilian employees of the Department of Defense assigned to activities outside the United States as determined by the Secretary to be in support of Department of Defense activities abroad hazardous to life or health or so specialized because of security requirements as to be clearly distinguishable from normal Government employment—

(1) allowances and benefits—

(A) comparable to those provided by the Secretary of State to members of the Foreign Service under chapter 9 of title I of the Foreign Service Act of 1980 (Public Law 96–465, 22 U.S.C. 4081 et seq.) or any other provision of law; or

(B) comparable to those provided by the Director of Central Intelligence to personnel of the Central Intelligence Agency; and

(2) special retirement accrual benefits and disability in the same manner provided for by the Central Intelligence Agency Retirement Act (50 U.S.C. 2001 et seq.) and in section 18 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403r).

SECTION 1404 OF THE DEFENSE DEPENDENTS' EDUCATION ACT OF 1978

[TUITION-PAYING STUDENTS]

SPACE-AVAILABLE ENROLLMENT OF STUDENTS; TUITION

SEC. 1404. (a) * * *

* * * * * * *

(c)*(1)* The Secretary of Defense may by regulation identify classes of children who shall be eligible to enroll in schools of the defense dependents' education system under this section if and to the extent that there is space available, establish priorities among such classes, waive the tuition requirement of subsection (b)(1) with respect to any such class, and issue such other regulations as may be necessary to carry out this section.

(2)(A) The Secretary shall include in the regulations prescribed under this subsection a requirement that children in the class of children described in subparagraph (B) shall be subject to the same tuition requirements, or waiver of tuition requirements, as children in the class of children described in subparagraph (C).

(B) The class of children described in this subparagraph are children of members of reserve components of the Armed Forces who—

(i) are on active duty under an order to active duty under section 12301 or 12302 of title 10, United States Code;

(ii) were ordered to active duty from a location in the United States (other than in Alaska or Hawaii); and

(iii) are serving on active duty outside the United States or in Alaska or Hawaii in a tour of duty that (voluntarily or involuntarily) has been extended to a period in excess of one year.

(C) The class of children described in this subparagraph are children of members of reserve components of the Armed Forces who—

(i) are on active duty under an order to active duty under section 12301 or 12302 of title 10, United States Code;

(ii) were ordered to active duty from a location outside the United States (or in Alaska or Hawaii); and

(iii) are serving on active duty outside the United States or in Alaska or Hawaii.

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TITLE 38, UNITED STATES CODE

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PART I—GENERAL PROVISIONS

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CHAPTER 3—DEPARTMENT OF VETERANS AFFAIRS

Sec.
301. Department.

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320. Department of Veterans Affairs-Department of Defense Joint Executive Committee.

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§ 320. Department of Veterans Affairs-Department of Defense Joint Executive Committee

(a) JOINT EXECUTIVE COMMITTEE.—(1) There is established an interagency committee to be known as the Department of Veterans Affairs-Department of Defense Joint Executive Committee (hereinafter in this section referred to as the "Committee").

(2) The Committee is composed of—

(A) the Deputy Secretary of Veterans Affairs and such other officers and employees of the Department of Veterans Affairs as the Secretary of Veterans Affairs may designate; and

(B) the Under Secretary of Defense for Personnel and Readiness and such other officers and employees of the Department of Defense as the Secretary of Defense may designate.

(b) ADMINISTRATIVE MATTERS.—(1) The Deputy Secretary of Veterans Affairs and the Under Secretary of Defense shall determine the size and structure of the Committee, as well as the administrative and procedural guidelines for the operation of the Committee.

(2) The two Departments shall supply appropriate staff and resources to provide administrative support and services. Support for such purposes shall be provided at a level sufficient for the efficient operation of the Committee, including a subordinate Health Executive Committee, a subordinate Benefits Executive Committee, and such other committees or working groups as considered necessary by the Deputy Secretary and Under Secretary.

(c) RECOMMENDATIONS.—(1) The Committee shall recommend to the Secretaries strategic direction for the joint coordination and sharing efforts between and within the two Departments under section 8111 of this title and shall oversee implementation of those efforts.

(2) The Committee shall submit to the two Secretaries and to Congress an annual report containing such recommendations as the Committee considers appropriate.

(d) FUNCTIONS.—In order to enable the Committee to make recommendations in its annual report under subsection (c)(2), the Committee shall do the following:

(1) Review existing policies, procedures, and practices relating to the coordination and sharing of resources between the two Departments.

(2) Identify changes in policies, procedures, and practices that, in the judgment of the Committee, would promote mutually beneficial coordination, use, or exchange of use of services and resources of the two Departments, with the goal of improving the quality, efficiency and effectiveness of the delivery of benefits and services to veterans, service members, military retirees and their families through an enhanced Department of Veterans Affairs and Department of Defense partnership.

(3) Identify and assess further opportunities for the coordination and collaboration between the Departments that, in the judgment of the Committee, would not adversely affect the range of services, the quality of care, or the established priorities for benefits provided by either Department.

(4) Review the plans of both Departments for the acquisition of additional resources, especially new facilities and major equipment and technology, in order to assess the potential effect of such plans on further opportunities for the coordination and sharing of resources.

(5) Review the implementation of activities designed to promote the coordination and sharing of resources between the Departments.

* * * * * * *

PART VI—ACQUISITION AND DISPOSITION OF PROPERTY

* * * * * * *

CHAPTER 81—ACQUISITION AND OPERATION OF HOSPITAL AND DOMICILIARY FACILITIES; PROCUREMENT AND SUPPLY; ENHANCED–USE LEASES OF REAL PROPERTY

* * * * * * *

§ 8111. Sharing of Department of Veterans Affairs and Department of Defense health care resources

(a) * * *

(b) JOINT REQUIREMENTS FOR SECRETARIES OF VETERANS AFFAIRS AND DEFENSE.—To facilitate the mutually beneficial coordination, use, or exchange of use of the health care resources of the

two Departments, the two Secretaries shall carry out the following functions:

(1) * * *

(2) Jointly fund the interagency committee provided for under [subsection (c)] *section 320 of this title*.

* * * * * * *

[(c) DOD–VA HEALTH EXECUTIVE COMMITTEE.—(1) There is established an interagency committee to be known as the Department of Veterans Affairs-Department of Defense Health Executive Committee (hereinafter in this section referred to as the "Committee"). The Committee is composed of—

[(A) the Deputy Secretary of Veterans Affairs and such other officers and employees of the Department of Veterans Affairs as the Secretary of Veterans Affairs may designate; and

[(B) the Under Secretary of Defense for Personnel and Readiness and such other officers and employees of the Department of Defense as the Secretary of Defense may designate.

[(2)(A) During odd-numbered fiscal years, the Deputy Secretary of Veterans Affairs shall chair the Committee. During even-numbered fiscal years, the Under Secretary of Defense shall chair the Committee.

[(B) The Deputy Secretary and the Under Secretary shall determine the size and structure of the Committee, as well as the administrative and procedural guidelines for the operation of the Committee. The two Departments shall share equally the Committee's cost of personnel and administrative support and services. Support for such purposes shall be provided at a level sufficient for the efficient operation of the Committee, including a permanent staff and, as required, other temporary working groups of appropriate departmental staff and outside experts.

[(3) The Committee shall recommend to the Secretaries strategic direction for the joint coordination and sharing efforts between and within the two Departments under this section and shall oversee implementation of those efforts.

[(4) The Committee shall submit to the two Secretaries and to Congress an annual report containing such recommendations as the Committee considers appropriate.

[(5) In order to enable the Committee to make recommendations in its annual report under paragraph (4), the Committee shall do the following:

[(A) Review existing policies, procedures, and practices relating to the coordination and sharing of health care resources between the two Departments.

[(B) Identify changes in policies, procedures, and practices that, in the judgment of the Committee, would promote mutually beneficial coordination, use, or exchange of use of the health care resources of the two Departments, with the goal of improving the access to, and quality and cost effectiveness of, the health care provided by the Veterans Health Administration and the Military Health System to the beneficiaries of both Departments.

[(C) Identify and assess further opportunities for the coordination and sharing of health care resources between the Departments that, in the judgment of the Committee, would not adversely affect the range of services, the quality of care,

or the established priorities for care provided by either Department.

[(D) Review the plans of both Departments for the acquisition of additional health care resources, especially new facilities and major equipment and technology, in order to assess the potential effect of such plans on further opportunities for the coordination and sharing of health care resources.

[(E) Review the implementation of activities designed to promote the coordination and sharing of health care resources between the Departments.

[(6) The Committee chairman, under procedures jointly developed by the two Secretaries, may require the Inspector General of either or both Departments to assist in activities under paragraph (5)(E).]

(d) JOINT INCENTIVES PROGRAM.—(1) Pursuant to subsection (b)(4), the two Secretaries shall carry out a program to identify, provide incentives to, implement, fund, and evaluate creative coordination and sharing initiatives at the facility, intraregional, and nationwide levels. The program shall be administered by the [Committee established in subsection (c)] *Department of Veterans Affairs-Department of Defense Joint Executive Committee*, under procedures jointly prescribed by the two Secretaries.

* * * * * * *

(e) GUIDELINES AND POLICIES FOR IMPLEMENTATION OF COORDINATION AND SHARING RECOMMENDATIONS, CONTRACTS, AND AGREEMENTS.—(1) To implement the recommendations made by the [Committee under subsection (c)(2)] *Department of Veterans Affairs-Department of Defense Joint Executive Committee with respect to health care resources*, as well as to carry out other health care contracts and agreements for coordination and sharing initiatives as they consider appropriate, the two Secretaries shall jointly issue guidelines and policy directives. Such guidelines and policies shall provide for coordination and sharing that—

(A) * * *

* * * * * * *

(f) ANNUAL JOINT REPORT.—(1) * * *

(2) Each report under this section shall include the following:

(A) * * *

[(B) The assessment of further opportunities identified under subparagraph (C) of subsection (c)(5) for the sharing of health-care resources between the two Departments.

[(C) Any recommendation made under subsection (c)(4) during such fiscal year.]

(B) The assessment of further opportunities identified by the Department of Veterans Affairs-Department of Defense Joint Executive Committee under subsection (d)(3) of section 320 of this title for the sharing of health-care resources between the two Departments.

(C) Any recommendation made by that committee under subsection (c)(2) of that section during that fiscal year.

* * * * * * *

(3) In addition to the matters specified in paragraph (2), the two Secretaries shall include in the annual report under this sub-

section an overall status report of the progress of health resources sharing between the two Departments as a consequence of subtitle C of title VII of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 *(Public Law 107–314)* and of other sharing initiatives taken during the period covered by the report. Such status report shall indicate the status of such sharing and shall include appropriate data as well as analyses of that data. The annual report shall include the following:

(A) * * *

* * * * * * *

(4) In addition to the matters specified in paragraphs (2) and (3), the two Secretaries shall include in the annual report under this subsection for each year through 2008 the following:

(A) A description of the measures taken, or planned to be taken, to implement the health resources sharing project under section 722 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 *(Public Law 107–314)* and any cost savings anticipated, or cost sharing achieved, at facilities participating in the project, including information on improvements in access to care, quality, and timeliness, as well as impediments encountered and legislative recommendations to ameliorate such impediments.

(B) A description of the use of the waiver authority provided by section 722(d)(1) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 *(Public Law 107–314)*, including—

(i) * * *

* * * * * * *

(5) In addition to the matters specified in paragraphs (2), (3), and (4), the two Secretaries shall include in the annual report under this subsection for each year through 2009 a report on the pilot program for graduate medical education under section 725 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 *(Public Law 107–314)*, including activities under the program during the preceding year and each Secretary's assessment of the efficacy of providing education and training under that program.

* * * * * * *

SECTION 8003 OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 8003. PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.

(a) * * *

(b) BASIC SUPPORT PAYMENTS AND PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—

(1) * * *

(2) BASIC SUPPORT PAYMENTS FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

(A) * * *

* * * * * * *

(H) ELIGIBILITY FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES AFFECTED BY PRIVATIZATION OF MILITARY HOUSING.—

[(i) ELIGIBILITY.—For any fiscal year beginning with fiscal year 2003, a heavily impacted local educational agency that received a basic support payment under subparagraph (A) for the prior fiscal year, but is ineligible for such payment for the current fiscal year under subparagraph (B) or (C), as the case may be, by reason of the conversion of military housing units to private housing described in clause (iii), shall be deemed to meet the eligibility requirements under subparagraph (B) or (C), as the case may be, for the period during which the housing units are undergoing such conversion.

[(ii) AMOUNT OF PAYMENT.—The amount of a payment to a heavily impacted local educational agency for a fiscal year by reason of the application of clause (i), and calculated in accordance with subparagraph (D) or (E) (as the case may be), shall be based on the number of children in average daily attendance in the schools of such agency for the fiscal year.]

(i) ELIGIBILITY.—For any fiscal year beginning with fiscal 2003, a heavily impacted local educational agency that received a basic support payment under paragraph (b)(2) for the prior fiscal year, but is ineligible for such payment for the current fiscal year under subparagraph (B), (C), (D), or (E), as the case may be, by reason of the conversion of military housing units to private housing described in clause (iii), shall be deemed to meet the eligibility requirements under subparagraph (B) or (C), as the case may be for the period during which the housing units are undergoing such conversion.

(ii) AMOUNT OF PAYMENT.—The amount of a payment to a heavily impacted local educational agency for a fiscal year by reason of the application of clause (i), and calculated in accordance with subparagraph (D) or (E), as the case may be, shall be based on the number of children in average daily attendance in the schools of such agency for the fiscal year and under the same provisions of subparagraph (D) or (E) under which the agency was paid during the prior fiscal year.

* * * * * * *

SECTION 204 OF THE DEFENSE AUTHORIZATION AMENDMENTS AND BASE CLOSURE AND REALIGNMENT ACT

SEC. 204. IMPLEMENTATION

(a) * * *

(b) MANAGEMENT AND DISPOSAL OF PROPERTY.—(1) * * *

* * * * * * *

(7)(A) * * *

* * * * * * *

(C)(i) If any real property or facility acquired, constructed, or improved (in whole or in part) with commissary store funds or nonappropriated funds is transferred or disposed of in connection with the closure or realignment of a military installation under this title, a portion of the proceeds of the transfer or other disposal of property on that installation shall be deposited in a reserve account established in the Treasury to be administered by the Secretary. ⟦The Secretary may use amounts in the account (in such an aggregate amount as is provided in advance in appropriation Acts)⟧ *Amounts in the account shall be available to the Secretary, without appropriation and until expended,* for the purpose of acquiring, constructing, and improving—

(I) commissary stores; and

(II) real property and facilities for nonappropriated fund instrumentalities.

* * * * * * *

⟦(e) TRANSFER AUTHORITY IN CONNECTION WITH CONSTRUCTION OR PROVISION OF MILITARY FAMILY HOUSING.—(1) Subject to paragraph (2), the Secretary may enter into an agreement to transfer by deed real property or facilities located at or near an installation closed or to be closed under this title with any person who agrees, in exchange for the real property or facilities, to transfer to the Secretary housing units that are constructed or provided by the person and located at or near a military installation at which there is a shortage of suitable housing to meet the requirements of members of the Armed Forces and their dependents.

⟦(2) A transfer of real property or facilities may be made under paragraph (1) only if—

⟦(A) the fair market value of the housing units to be received by the Secretary in exchange for the property or facilities to be transferred is equal to or greater than the fair market value of such property or facilities, as determined by the Secretary; or

⟦(B) in the event the fair market value of the housing units is less than the fair market value of property or facilities to be transferred, the recipient of the property or facilities agrees to pay to the Secretary the amount equal to the excess of the fair market value of the property or facilities over the fair market value of the housing units.

⟦(3) Notwithstanding section 207(a)(7), the Secretary may deposit funds received under paragraph (2)(B) in the Department of Defense Family Housing Improvement Fund established under section 2883(a) of title 10, United States Code.

⟦(4) The Secretary shall submit to the appropriate committees of Congress a report describing each agreement proposed to be entered into under paragraph (1), including the consideration to be received by the United States under the agreement. The Secretary may not enter into the agreement until the end of the 21-day period beginning on the date the appropriate committees of Congress receive the report regarding the agreement.

⟦(5) The Secretary may require any additional terms and conditions in connection with an agreement authorized by this sub-

section as the Secretary considers appropriate to protect the interests of the United States.]

* * * * * * *

DEFENSE BASE CLOSURE AND REALIGNMENT ACT OF 1990

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TITLE XXIX—DEFENSE BASE CLOSURES AND REALIGNMENTS

PART A—DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

* * * * * * *

SEC. 2905. IMPLEMENTATION

(a) * * *

* * * * * * *

[(f) TRANSFER AUTHORITY IN CONNECTION WITH CONSTRUCTION OR PROVISION OF MILITARY FAMILY HOUSING.—(1) Subject to paragraph (2), the Secretary may enter into an agreement to transfer by deed real property or facilities located at or near an installation closed or to be closed under this part with any person who agrees, in exchange for the real property or facilities, to transfer to the Secretary housing units that are constructed or provided by the person and located at or near a military installation at which there is a shortage of suitable housing to meet the requirements of members of the Armed Forces and their dependents.

[(2) A transfer of real property or facilities may be made under paragraph (1) only if—

[(A) the fair market value of the housing units to be received by the Secretary in exchange for the property or facilities to be transferred is equal to or greater than the fair market value of such property or facilities, as determined by the Secretary; or

[(B) in the event the fair market value of the housing units is less than the fair market value of property or facilities to be transferred, the recipient of the property or facilities agrees to pay to the Secretary the amount equal to the excess of the fair market value of the property or facilities over the fair market value of the housing units.

[(3) Notwithstanding paragraph (2) of section 2906(a), the Secretary may deposit funds received under paragraph (2)(B) in the Department of Defense Family Housing Improvement Fund established under section 2883(a) of title 10, United States Code.

[(4) The Secretary shall submit to the congressional defense committees a report describing each agreement proposed to be entered into under paragraph (1), including the consideration to be received by the United States under the agreement. The Secretary may not enter into the agreement until the end of the 30-day period beginning on the date the congressional defense committees receive the report regarding the agreement.

[(5) The Secretary may require any additional terms and conditions in connection with an agreement authorized by this subsection as the Secretary considers appropriate to protect the interests of the United States.]

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SEC. 2906. DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 1990

(a) * * *

* * * * * * *

(d) DISPOSAL OR TRANSFER OF COMMISSARY STORES AND PROPERTY PURCHASED WITH NONAPPROPRIATED FUNDS.—(1) * * *

* * * * * * *

(3) [The Secretary may use amounts in the account (in such an aggregate amount as is provided in advance in appropriation Acts)] *Amounts in the account shall be available to the Secretary, without appropriation and until expended,* for the purpose of acquiring, constructing, and improving—

(A) * * *

* * * * * * *

SEC. 2912. 2005 ROUND OF REALIGNMENTS AND CLOSURES OF MILITARY INSTALLATIONS.

(a) FORCE-STRUCTURE PLAN AND INFRASTRUCTURE INVENTORY.—

(1) PREPARATION AND SUBMISSION.—As part of the budget justification documents submitted to Congress in support of the budget for the Department of Defense for fiscal year 2005, the Secretary shall include the following:

[(A) A force-structure plan for the Armed Forces based on an assessment by the Secretary of the probable threats to the national security during the 20-year period beginning with fiscal year 2005, the probable end-strength levels and major military force units (including land force divisions, carrier and other major combatant vessels, air wings, and other comparable units) needed to meet these threats, and the anticipated levels of funding that will be available for national defense purposes during such period.]

(A) A force-structure plan for the Armed Forces that—

(i) at a minimum, assumes the force structure under the 1991 Base Force force structure (as defined in paragraph (5)) that is also known as the "Cheney-Powell force structure"; and

(ii) includes such consideration as the Secretary considers appropriate of an assessment by the Secretary of—

(I) the probable threats to the national security during the 20-year period beginning with fiscal year 2005;

(II) the probable end-strength levels and major military force units (including land force divisions, carrier and other major combatant vessels, air wings, and other comparable units) needed to meet those threats; and

(III) the anticipated levels of funding that will be available for national defense purposes during such period.

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(2) RELATIONSHIP OF PLAN AND INVENTORY.—Using the force-structure plan and infrastructure inventory prepared under paragraph (1), the Secretary shall prepare (and include as part of the submission of such plan and inventory) the following:

(A) A description of the infrastructure necessary to support the force structure described in the force-structure plan*, based upon an assumption that there are no installations available outside the United States for the permanent basing of elements of the Armed Forces*.

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(4) REVISION.—The Secretary may revise the force-structure plan and infrastructure inventory. *Any such revision shall be consistent with this subsection.* If the Secretary makes such a revision, the Secretary shall submit the revised plan or inventory to Congress as part of the budget justification documents submitted to Congress for fiscal year 2006.

(5) BASE FORCE.—In this subsection, the term "1991 Base Force force structure" means the force structure plan for the Armed Forces, known as the "Base Force", that was adopted by the Secretary of Defense in November 1990 based upon recommendations of the Chairman of the Joint Chiefs of Staff and as incorporated in the President's budget for fiscal year 1992, as submitted to Congress in February 1991 and that assumed the following force structure:

(A) For the Department of Defense, 1,600,000 members of the Armed Forces on active duty and 900,000 members in an active status in the reserve components.

(B) For the Army, 12 active divisions, six National Guard divisions, and two cadre divisions or their equivalents.

(C) For the Navy, 12 aircraft carrier battle groups or their equivalents and 451 naval vessels, including 85 attack submarines.

(D) For the Marine Corps, three active and one Reserve divisions and three active and one Reserve air wings.

(E) For the Air Force, 15 active fighter wings and 11 National Guard fighter wings or their equivalents.

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SEC. 2913. SELECTION CRITERIA FOR 2005 ROUND.

(a) PREPARATION OF PROPOSED SELECTION CRITERIA.—

(1) * * *

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(3) USE OF FORCE-STRUCTURE PLAN.—In preparing the proposed and final criteria to be used by the Secretary in making recommendations under section 2914 for the closure or realignment of military installations inside the United States, the Sec-

retary shall use the force-structure plan for the Armed Forces prepared under section 2912(a).

* * * * * * *

(g) BASE EXCLUSION CRITERIA.—In preparing the selection criteria required by this section that will be used in making recommendations for the closure or realignment of military installations inside the United States, the Secretary shall ensure that the final criteria reflect the requirement to develop a list of those military installations to be excluded from the base closure and realignment process, as provided in subsection (h).

(h) LIST OF INSTALLATIONS EXCLUDED FROM CONSIDERATION FOR CLOSURE OR REALIGNMENT.—(1) Before preparing the list required by section 2914(a) of the military installations inside the United States that the Secretary recommends for closure or realignment, the Secretary shall prepare a list of core military installations that the Secretary considers absolutely essential to the national defense and that should not be considered for closure.

(2) Not later than April 1, 2005, the Secretary shall submit to the congressional defense committees, publish in the Federal Register, and send to the Commission the list required by paragraph (1). The list shall contain at least 50 percent of the total number of military installations located inside the United States as of the date of the enactment of the National Defense Authorization Act for Fiscal Year 2004.

(3) The Commission shall consider the list based on the final criteria developed under subsection (e). The Commission may modify this list, in the manner provided in section 2903(d) and section 2914(d), if the Commission finds that the inclusion of a military installation on the list substantially violates the criteria. The Commission shall forward to the President, not later than April 30, 2005, a report containing its recommendations regarding the list, which must comply with the percentages specified in paragraph (2). The Comptroller General shall also comply with section 2903(d)(5) by that date.

(4) If the Commission submits a report to the President under paragraph (3), the President shall notify Congress, not later than May 10, 2005, regarding whether the President approves or disapproves the report. If the President disapproves the report, the Commission shall be dissolved, and the process by which military installations may be selected for closure or realignment under this part in 2005 shall be terminated.

(5) A military installation included on the exclusion list approved under this subsection may not be included on the closure and realignment list prepared under section 2914(a) or otherwise considered for closure or realignment as part of the base closure process in 2005.

SEC. 2914. SPECIAL PROCEDURES FOR MAKING RECOMMENDATIONS FOR REALIGNMENTS AND CLOSURES FOR 2005 ROUND; COMMISSION CONSIDERATION OF RECOMMENDATIONS.

(a) * * *

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(d) COMMISSION REVIEW AND RECOMMENDATIONS.—

(1) * * *

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(3) LIMITATIONS ON AUTHORITY [TO ADD] *TO CONSIDER ADDITIONS* TO CLOSURE OR REALIGNMENT LISTS.—The Commission may not consider making a change in the recommendations of the Secretary that would add a military installation to the Secretary's list of installations recommended for closure or realignment unless, in addition to the requirements of section 2903(d)(2)(C)—

(A) * * *

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(5) SITE VISIT *AND UNANIMOUS VOTE*.—In the report required under section 2903(d)(2)(A) that is to be transmitted under paragraph (1), the Commission may not recommend the closure of a military installation not recommended for closure by the Secretary under subsection (a) unless at least two members of the Commission visit the installation before the date of the transmittal of the report *and the decision of the Commission to recommend the closure of the installation is unanimous*.

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NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993

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TITLE III—OPERATION AND MAINTENANCE

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Subtitle C—Environmental Provisions

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SEC. 324. OVERSEAS ENVIRONMENTAL RESTORATION.

[(a) SENSE OF CONGRESS.—]It is the sense of the Congress that in carrying out environmental restoration activities at military installations outside the United States, the President should seek to obtain an equitable division of the costs of environmental restoration with the nation in which the installation is located.

[(b) REPORT.—The Secretary of Defense shall include in each Report on Allied Contributions to the Common Defense prepared under section 1003 of Public Law 98–525 (22 U.S.C. 1928) information, in classified and unclassified form, describing the efforts undertaken and the progress made by the President in carrying out subsection (a) during the period covered by the report.]

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TITLE VII—HEALTH CARE PROVISIONS

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Subtitle C—Other Matters

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SEC. 722. MILITARY HEALTH CARE FOR PERSONS RELIANT ON HEALTH CARE FACILITIES AT BASES BEING CLOSED OR REALIGNED.

[(a) ESTABLISHMENT.—The Secretary of Defense shall establish a joint services working group on the provision of military health care to persons who rely for health care on health care facilities at military installations being closed or realigned.

[(b) MEMBERSHIP.—The members of the working group shall include the Assistant Secretary of Defense for Health Affairs, the Surgeon General of the Army, the Surgeon General of the Navy, the Surgeon General of the Air Force, or a designee of each such person, and one independent member appointed by the Secretary of Defense from among private citizens whose interest in matters within the responsibility of the working group qualify that person to represent all personnel entitled to health care under chapter 55 of title 10, United States Code.

[(c) DUTIES.—(1) In the case of each closure or realignment of a military installation that will adversely affect the accessibility of health care in a facility of the uniformed services for persons entitled to such health care under chapter 55 of title 10, United States Code, the working group shall solicit the views of such persons regarding suitable substitutes for the furnishing of health care to those persons under that chapter.

[(2) In carrying out paragraph (1), the working group—

[(A) shall conduct meetings with persons referred to in that paragraph, or representatives of such persons;

[(B) may use reliable sampling techniques;

[(C) shall visit the areas where closures or realignments of military installations will adversely affect the accessibility of health care in a facility of the uniformed services for persons referred to in paragraph (1) and shall conduct public meetings; and

[(D) shall ensure that members of the uniformed services on active duty, members and former members of the uniformed services entitled to retired or retainer pay, and dependents and survivors of such members and retired personnel are afforded the opportunity to express views.

[(d) RECOMMENDATIONS.—With respect to each closure and realignment of a military installation referred to in subsection (c), the working group shall submit to the Congress and the Secretary of Defense the working group's recommendations regarding the alternative means for continuing to provide accessible health care under chapter 55 of title 10, United States Code, to persons referred to in that subsection.]

(a) ESTABLISHMENT.—Not later than December 31, 2003, the Secretary of Defense shall establish a working group on the provision of military health care to persons who rely for health care on health care facilities located at military installations—

(1) inside the United States that are selected for closure or realignment in the 2005 round of realignments and closures authorized by sections 2912, 2913, and 2914 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), as added by title XXX of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 155 Stat. 1342); or

(2) outside the United States that are selected for closure or realignment as a result of force posture changes.

(b) MEMBERSHIP.—The members of the working group shall include, at a minimum, the following:

(1) The Assistant Secretary of Defense of Health Affairs, or the designee of the Assistant Secretary.

(2) The Surgeon General of the Army, or the designee of that Surgeon General.

(3) The Surgeon General of the Navy, or the designee of that Surgeon General.

(4) The Surgeon General of the Air Force, or the designee of that Surgeon General.

(5) At least one independent member from each TRICARE region, but not to exceed a total of 12 members appointed under this paragraph, whose experience in matters within the responsibility of the working group qualify that person to represent persons authorized health care under chapter 55 of title 10, United States Code.

(c) DUTIES.—(1) In developing the selection criteria and recommendations for the 2005 round of realignments and closures required by sections 2913 and 2914 of the Defense Base Closure and Realignment Act of 1990, the Secretary of Defense shall consult with the working group.

(2) The working group shall be available to provide assistance to the Defense Base Closure and Realignment Commission.

(3) In the case of each military installation referred to in paragraph (1) or (2) of subsection (a) whose closure or realignment will affect the accessibility to health care services for persons entitled to such services under chapter 55 of title 10, United States Code, the working group shall provide to the Secretary of Defense a plan for the provision of the health care services to such persons.

(d) SPECIAL CONSIDERATIONS.—In carrying out its duties under subsection (c), the working group—

(1) shall conduct meetings with persons entitled to health care services under chapter 55 of title 10, United States Code, or representatives of such persons;

(2) may use reliable sampling techniques;

(3) may visit the areas where closures or realignments of military installations will adversely affect the accessibility of health care for such persons and may conduct public meetings; and

(4) shall ensure that members of the uniformed services on active duty, members and former members of the uniformed services entitled to retired or retainer pay, and dependents and survivors of such members and retired personnel are afforded the opportunity to express their views.

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TITLE X—GENERAL PROVISIONS

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Subtitle H—Other Matters

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SEC. 1082. LIMITATION ON SUPPORT FOR UNITED STATES CONTRACTORS SELLING ARMS OVERSEAS.

(a) * * *

(b) DEPARTMENT OF DEFENSE EXHIBITIONS.—(1) A military department may not participate directly in any airshow or trade exhibition held outside the United States unless [the Secretary of Defense—

[(A) determines that it is in the national security interests of the United States for the military department to do so; and

[(B) provides to the congressional defense committees at least 45 days before the opening of the airshow or trade exhibition a report detailing—

[(i) why the show or exhibition is in the national security interest;

[(ii) a description of the implications that promoting the sale of the weapons in question will have on arms control; and

[(iii) an estimate of any costs to be incurred.] *the Secretary of Defense determines that it is in the national security interests of the United States for the military departments to do so.*

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

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

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[Subtitle E—Defense Nuclear Workers

[SEC. 3161. DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITIES WORKFORCE RESTRUCTURING PLAN.

[(a) IN GENERAL.—Upon determination that a change in the workforce at a defense nuclear facility is necessary, the Secretary of Energy (hereinafter in this subtitle referred to as the "Secretary") shall develop a plan for restructuring the workforce for the defense nuclear facility that takes into account—

[(1) the reconfiguration of the defense nuclear facility; and

[(2) the plan for the nuclear weapons stockpile that is the most recently prepared plan at the time of the development of the plan referred to in this subsection.

[(b) CONSULTATION.—(1) In developing a plan referred to in subsection (a) and any updates of the plan under subsection (e), the Secretary shall consult with the Secretary of Labor, appropriate representatives of local and national collective-bargaining units of individuals employed at Department of Energy defense nuclear facilities, appropriate representatives of departments and agencies of State and local governments, appropriate representatives of State and local institutions of higher education, and appropriate representatives of community groups in communities affected by the restructuring plan.

[(2) The Secretary shall determine appropriate representatives of the units, governments, institutions, and groups referred to in paragraph (1).

[(c) OBJECTIVES.—In preparing the plan required under subsection (a), the Secretary shall be guided by the following objectives:

[(1) Changes in the workforce at a Department of Energy defense nuclear facility—

[(A) should be accomplished so as to minimize social and economic impacts;

[(B) should be made only after the provision of notice of such changes not later than 120 days before the commencement of such changes to such employees and the communities in which such facilities are located; and

[(C) should be accomplished, when possible, through the use of retraining, early retirement, attrition, and other options that minimize layoffs.

[(2) Employees whose employment in positions at such facilities is terminated shall, to the extent practicable, receive preference in any hiring of the Department of Energy (consistent with applicable employment seniority plans or practices of the Department of Energy and with section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1682)).

[(3) Employees shall, to the extent practicable, be retrained for work in environmental restoration and waste management activities at such facilities or other facilities of the Department of Energy.

[(4) The Department of Energy should provide relocation assistance to employees who are transferred to other Department of Energy facilities as a result of the plan.

[(5) The Department of Energy should assist terminated employees in obtaining appropriate retraining, education, and reemployment assistance (including employment placement assistance).

[(6) The Department of Energy should provide local impact assistance to communities that are affected by the restructuring plan and coordinate the provision of such assistance with—

[(A) programs carried out by the Secretary of Labor under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998;

[(B) programs carried out pursuant to the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (division D of Public Law 101–510; 10 U.S.C. 2391 note); and

[(C) programs carried out by the Department of Commerce pursuant to title II of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141 et seq.).

[(d) IMPLEMENTATION.—The Secretary shall, subject to the availability of appropriations for such purpose, work on an ongoing basis with representatives of the Department of Labor, workforce bargaining units, and States and local communities in carrying out a plan required under subsection (a).

[(e) PLAN UPDATES.—Not later than one year after issuing a plan referred to in subsection (a) and on an annual basis thereafter, the Secretary shall issue an update of the plan. Each updated plan under this subsection shall—

[(1) be guided by the objectives referred to in subsection (c), taking into account any changes in the function or mission of the Department of Energy defense nuclear facilities and any other changes in circumstances that the Secretary determines to be relevant;

[(2) contain an evaluation by the Secretary of the implementation of the plan during the year preceding the report; and

[(3) contain such other information and provide for such other matters as the Secretary determines to be relevant.

[(f) SUBMITTAL TO CONGRESS.—(1) The Secretary shall submit to Congress a plan referred to in subsection (a) with respect to a defense nuclear facility within 90 days after the date on which a notice of changes described in subsection (c)(1)(B) is provided to employees of the facility, or 90 days after the date of the enactment of this Act, whichever is later.

[(2) The Secretary shall submit to Congress any updates of the plan under subsection (e) immediately upon completion of any such update.

[SEC. 3162. PROGRAM TO MONITOR DEPARTMENT OF ENERGY WORKERS EXPOSED TO HAZARDOUS AND RADIOACTIVE SUBSTANCES.

[(a) IN GENERAL.—The Secretary shall establish and carry out a program for the identification and on-going medical evaluation of current and former Department of Energy employees who are subject to significant health risks as a result of the exposure of such employees to hazardous or radioactive substances during such employment.

[(b) IMPLEMENTATION OF PROGRAM.—(1) The Secretary shall, with the concurrence of the Secretary of Health and Human Services, issue regulations under which the Secretary shall implement the program. Such regulations shall, to the extent practicable, provide for a process to—

[(A) identify the hazardous substances and radioactive substances to which current and former Department of Energy employees may have been exposed as a result of such employment;

[(B) identify employees referred to in subparagraph (A) who received a level of exposure identified under paragraph (2)(B);

[(C) determine the appropriate number, scope, and frequency of medical evaluations and laboratory tests to be provided to employees who have received a level of exposure identified under paragraph (2)(B) to permit the Secretary to evaluate fully the extent, nature, and medical consequences of such exposure;

[(D) make available the evaluations and tests referred to in subparagraph (C) to the employees referred to in such subparagraph;

[(E) ensure that privacy is maintained with respect to medical information that personally identifies any such employee; and

[(F) ensure that employee participation in the program is voluntary.

[(2)(A) In determining the most appropriate means of carrying out the activities referred to in subparagraphs (A) through (D) of paragraph (1), the Secretary shall consult with the Secretary of Health and Human Services under the agreement referred to in subsection (c).

[(B) The Secretary of Health and Human Services, with the assistance of the Director of the Centers for Disease Control and the Director of the National Institute for Occupational Safety and Health, and the Secretary of Labor shall identify the levels of exposure to the substances referred to in subparagraph (A) of paragraph (1) that present employees referred to in such subparagraph with significant health risks under Federal and State occupational, health, and safety standards;

[(3) In prescribing the guidelines referred to in paragraph (1), the Secretary shall consult with representatives of the following entities:

[(A) The American College of Occupational and Environmental Medicine.

[(B) The National Academy of Sciences.

[(C) The National Council on Radiation Protection.

[(D) Any labor organization or other collective bargaining agent authorized to act on the behalf of employees of a Department of Energy defense nuclear facility.

[(4) The Secretary shall provide for each employee identified under paragraph (1)(D) and provided with any medical examination or test under paragraph (1)(E) to be notified by the appropriate medical personnel of the identification and the results of any such examination or test. Each notification under this paragraph shall be provided in a form that is readily understandable by the employee.

[(5) The Secretary shall collect and assemble information relating to the examinations and tests carried out under paragraph (1)(E).

[(6) The Secretary shall commence carrying out the program described in this subsection not later than 1 year after the date of the enactment of this Act.

[(c) AGREEMENT WITH SECRETARY OF HEALTH AND HUMAN SERVICES.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall enter into an agreement with the Secretary of Health and Human Services relating to the establishment and conduct of the program required and regulations issued under this section.

[SEC. 3163. DEFINITIONS.

[For purposes of this subtitle:

[(1) The term "Department of Energy defense nuclear facility" means—

[(A) a production facility or utilization facility (as those terms are defined in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014)) that is under the control or jurisdiction of the Secretary and that is operated for na-

tional security purposes (including the tritium loading facility at Savannah River, South Carolina, the 236 H facility at Savannah River, South Carolina; and the Mound Laboratory, Ohio), but the term does not include any facility that does not conduct atomic energy defense activities and does not include any facility or activity covered by Executive Order Number 12344, dated February 1, 1982, pertaining to the naval nuclear propulsion program;

[(B) a nuclear waste storage or disposal facility that is under the control or jurisdiction of the Secretary;

[(C) a testing and assembly facility that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the Nevada Test Site, Nevada; the Pinnellas Plant, Florida; and the Pantex facility, Texas);

[(D) an atomic weapons research facility that is under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories); or

[(E) any facility described in subparagragraphs (A) through (D) that—

[(i) is no longer in operation;

[(ii) was under the control or jurisdiction of the Department of Defense, the Atomic Energy Commission, or the Energy Research and Development Administration; and

[(iii) was operated for national security purposes.

[(2) The term "Department of Energy employee" means any employee of the Department of Energy employed at a Department of Energy defense nuclear facility, including any employee of a contractor or subcontractor of the Department of Energy employed at such a facility.]

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NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994

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TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

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Subtitle E—Other Matters

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SEC. 845. AUTHORITY OF THE DEFENSE ADVANCED RESEARCH PROJECTS AGENCY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

(a) * * *

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(g) PERIOD OF AUTHORITY.—The authority to carry out projects under subsection (a) shall terminate at the end of [September 30, 2004] *September 30, 2008*.

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

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

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Subtitle C—Program Authorizations, Restrictions, and Limitations

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SEC. 3136. PROHIBITION ON [RESEARCH AND DEVELOPMENT] *DEVELOPMENT AND PRODUCTION* OF LOW-YIELD NUCLEAR WEAPONS.

(a) UNITED STATES POLICY.—It shall be the policy of the United States not to [conduct research and development which could lead to the production by the United States of] *develop or produce* a new low-yield nuclear weapon, including a precision low-yield warhead.

(b) LIMITATION.—The Secretary of Energy may not [conduct, or provide for the conduct of, research and development which could lead to the production by the United States of] *develop, produce, or provide for the development or production of,* a low-yield nuclear weapon which, as of [the date of the enactment of this Act] *November 30, 1993,*, has not entered production.

(c) EFFECT ON OTHER [RESEARCH AND] DEVELOPMENT.—Nothing in this section shall prohibit the Secretary of Energy from conducting, or providing for the conduct of, [research and] development necessary—

(1) * * *

* * * * * * *

(3) to address proliferation concerns*, including assessment of low-yield nuclear weapons development by other nations that may pose a national security risk to the United States*.

(d) EFFECT ON STUDIES AND DESIGN WORK.—Nothing in this section shall prohibit the Secretary of Energy from conducting, or providing for the conduct of, concept definition studies, feasibility studies, or detailed engineering design work.

[(d)] *(e)* DEFINITION.—In this section, the term "low-yield nuclear weapon" means a nuclear weapon that has a yield of less than five kilotons.

[SEC. 3137. TESTING OF NUCLEAR WEAPONS.

[(a) IN GENERAL.—Of the funds authorized to be appropriated under section 3101(a)(2) for the Department of Energy for fiscal year 1994 for weapons testing, $211,326,000 shall be available for infrastructure maintenance at the Nevada Test Site, and for maintaining the technical capability to resume underground nuclear testing at the Nevada Test Site.

[(b) ATMOSPHERIC TESTING OF NUCLEAR WEAPONS.—None of the funds appropriated pursuant to this Act or any other Act for any fiscal year may be available to maintain the capability of the United States to conduct atmospheric testing of a nuclear weapon.

[SEC. 3138. STOCKPILE STEWARDSHIP PROGRAM.

[(a) ESTABLISHMENT.—The Secretary of Energy shall establish a stewardship program to ensure the preservation of the core intellectual and technical competencies of the United States in nuclear weapons, including weapons design, system integration, manufacturing, security, use control, reliability assessment, and certification.

[(b) PROGRAM ELEMENTS.—The program shall include the following:

[(1) An increased level of effort for advanced computational capabilities to enhance the simulation and modeling capabilities of the United States with respect to the detonation of nuclear weapons.

[(2) An increased level of effort for above-ground experimental programs, such as hydrotesting, high-energy lasers, inertial confinement fusion, plasma physics, and materials research.

[(3) Support for new facilities construction projects that contribute to the experimental capabilities of the United States, such as an advanced hydrodynamics facility, the National Ignition Facility, and other facilities for above-ground experiments to assess nuclear weapons effects.

[(c) AUTHORIZATION OF APPROPRIATIONS.—Of funds authorized to be appropriated to the Secretary of Energy for fiscal year 1994 for weapons activities, $157,400,000 shall be available for the stewardship program established under subsection (a).]

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Subtitle D—Other Matters

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[SEC. 3153. BASELINE ENVIRONMENTAL MANAGEMENT REPORTS.

[(a) ANNUAL ENVIRONMENTAL RESTORATION REPORTS.—(1) The Secretary of Energy shall (in the years and at the times specified in paragraph (2)) submit to the Congress a report on the activities and projects necessary to carry out the environmental restoration of all Department of Energy defense nuclear facilities.

[(2) Reports under paragraph (1) shall be submitted as follows:

[(A) The initial report shall be submitted not later than March 1, 1995.

[(B) A report after the initial report shall be submitted in each year after 1995 during which the Secretary of Energy conducts, or plans to conduct, environmental restoration activities and projects, not later than 30 days after the date on which the President submits to the Congress the budget for the fiscal year beginning in that year.

[(b) BIENNIAL WASTE MANAGEMENT REPORTS.—(1) The Secretary of Energy shall (in the years and at the times specified in paragraph (2)) submit to the Congress a report on all activities and projects for waste management, including pollution prevention and transition of operational facilities to safe shutdown status, that are necessary for Department of Energy defense nuclear facilities.

[(2) Reports required under paragraph (1) shall be submitted as follows:

[(A) The initial report shall be submitted not later than June 1, 1995.

[(B) A report after the initial report shall be submitted in each odd-numbered year after 1997, not later than 30 days after the date on which the President submits to the Congress the budget for the fiscal year beginning in that year.

[(c) CONTENTS OF REPORTS.—A report required under subsection (a) or (b) shall be based on compliance with all applicable provisions of law, permits, regulations, orders, and agreements, and shall—

[(1) provide the estimated total cost of, and the complete schedule for, the activities and projects covered by the report; and

[(2) with respect to each such activity and project, contain—

[(A) a description of the activity or project;

[(B) a description of the problem addressed by the activity or project;

[(C) the proposed remediation of the problem, if the remediation is known or decided;

[(D) the estimated cost to complete the activity or project, including, where appropriate, the cost for every five-year increment; and

[(E) the estimated date for completion of the activity or project, including, where appropriate, progress milestones for every five-year increment.

[(d) BIENNIAL STATUS AND VARIANCE REPORTS.—(1)(A) The Secretary of Energy shall (in the years and at the time specified in subparagraph (B)) submit to the Congress a status and variance report on environmental restoration and waste management activities and projects at Department of Energy defense nuclear facilities.

[(B) A report under subparagraph (A) shall be submitted in 1995 and in each odd-numbered year thereafter during which the Secretary of Energy conducts environmental restoration and waste management activities, not later than 30 days after the date on which the President submits to the Congress the budget for the fiscal year beginning in that year.

[(2) Each status and variance report under paragraph (1) shall contain the following:

[(A) Information on each such activity and project for which funds were appropriated for the two fiscal years immediately before the fiscal year during which the report is submitted, including the following:

[(i) Information on whether or not the activity or project has been completed, and information on the estimated date of completion for activities or projects that have not been completed.

[(ii) The total amount of funds expended for the activity or project during such prior fiscal years, including the amount of funds expended from amounts made available as the result of supplemental appropriations or a transfer of funds, and an estimate of the total amount of funds required to complete the activity or project.

[(iii) Information on whether the President requested an amount of funds for the activity or project in the budget for the fiscal year during which the report is submitted, and whether such funds were appropriated or transferred.

[(iv) An explanation of the reasons for any projected cost variance between actual and estimated expenditures of more than 15 percent or $10,000,000, or any schedule delay of more than six months, for the activity or project.

[(B) For the fiscal year during which the report is submitted, a disaggregation of the funds appropriated for Department of Energy defense environmental restoration and waste management into the activities and projects (including discrete parts of multiyear activities and projects) that the Secretary of Energy expects to accomplish during that fiscal year.

[(C) For the fiscal year for which the budget is submitted, a disaggregation of the Department of Energy defense environmental restoration and waste management budget request into the activities and projects (including discrete parts of multiyear activities and projects) that the Secretary of Energy expects to accomplish during that fiscal year.

[(e) COMPLIANCE TRACKING.—In preparing a report under this section, the Secretary of Energy shall provide, with respect to each activity and project identified in the report, information which is sufficient to track the Department of Energy's compliance with relevant Federal and State regulatory milestones.]

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NATIONAL SECURITY ACT OF 1947

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Sec. 2. Declaration of policy.

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TITLE I—COORDINATION FOR NATIONAL SECURITY

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[Sec. 110. National mission of National Imagery and Mapping Agency.]
Sec. 110. National mission of National Geospatial-Intelligence Agency.

* * * * * * *

DEFINITIONS

SEC. 3. As used in this Act:

(1) * * *

* * * * * * *

(4) The term "intelligence community" includes—

(A) * * *

* * * * * * *

(E) the [National Imagery and Mapping Agency] *National Geospatial- Intelligence Agency*;

* * * * * * *

TITLE I—COORDINATION FOR NATIONAL SECURITY

* * * * * * *

RESPONSIBILITIES OF THE SECRETARY OF DEFENSE PERTAINING TO THE NATIONAL FOREIGN INTELLIGENCE PROGRAM

SEC. 105. (a) * * *

(b) RESPONSIBILITY FOR THE PERFORMANCE OF SPECIFIC FUNCTIONS.—Consistent with sections 103 and 104 of this Act, the Secretary of Defense shall ensure—

(1) * * *

(2) through the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* (except as otherwise directed by the President or the National Security Council), with appropriate representation from the intelligence community, the continued operation of an effective unified organization within the Department of Defense—

(A) * * *

* * * * * * *

(d) ANNUAL EVALUATION OF PERFORMANCE AND RESPONSIVENESS OF CERTAIN ELEMENTS OF INTELLIGENCE COMMUNITY.—(1) * * *

* * * * * * *

(3) An evaluation described in this paragraph is an evaluation of the performance and responsiveness of the National Security Agency, the National Reconnaissance Office, and the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* in meeting their respective national missions.

* * * * * * *

ASSISTANCE TO UNITED STATES LAW ENFORCEMENT AGENCIES

SEC. 105A. (a) * * *

(b) LIMITATION ON ASSISTANCE BY ELEMENTS OF DEPARTMENT OF DEFENSE.—(1) With respect to elements within the Department of Defense, the authority in subsection (a) applies only to the following:

(A) * * *

* * * * * * *

(C) The [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*.

* * * * * * *

PROTECTION OF OPERATIONAL FILES OF THE [NATIONAL IMAGERY AND MAPPING AGENCY] *NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY*

SEC. 105C. (a) EXEMPTION OF CERTAIN OPERATIONAL FILES FROM SEARCH, REVIEW, PUBLICATION, OR DISCLOSURE.—(1) The Director of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*, with the coordination of the Director of Central Intelligence, may exempt operational files of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* from the provisions of section 552 of title 5, United States Code, which require publication, disclosure, search, or review in connection therewith.

(2)(A) Subject to subparagraph (B), for the purposes of this section, the term "operational files" means files of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* (hereafter in this section referred to as "[NIMA] *NGA*") concerning the activities of [NIMA] *NGA* that before the establishment of [NIMA] *NGA* were performed by the National Photographic Interpretation Center of the Central Intelligence Agency (NPIC), that document the means by which foreign intelligence or counterintelligence is collected through scientific and technical systems.

* * * * * * *

(3) Notwithstanding paragraph (1), exempted operational files shall continue to be subject to search and review for information concerning—

(A) * * *

* * * * * * *

(C) the specific subject matter of an investigation by any of the following for any impropriety, or violation of law, Executive order, or Presidential directive, in the conduct of an intelligence activity:

(i) * * *

* * * * * * *

(iv) The Office of General Counsel of [NIMA] *NGA*.

(v) The Office of the Director of [NIMA] *NGA*.

* * * * * * *

(6)(A) Except as provided in subparagraph (B), whenever any person who has requested agency records under section 552 of title 5, United States Code, alleges that [NIMA] *NGA* has withheld records improperly because of failure to comply with any provision of this section, judicial review shall be available under the terms set forth in section 552(a)(4)(B) of title 5, United States Code.

(B) Judicial review shall not be available in the manner provided for under subparagraph (A) as follows:

(i) In any case in which information specifically authorized under criteria established by an Executive order to be kept secret in the interests of national defense or foreign relations is filed with, or produced for, the court by [NIMA] *NGA*, such information shall be examined ex parte, in camera by the court.

* * * * * * *

(iv)(I) When a complainant alleges that requested records were improperly withheld because of improper exemption of operational files, [NIMA] *NGA* shall meet its burden under section 552(a)(4)(B) of title 5, United States Code, by demonstrating to the court by sworn written submission that exempted operational files likely to contain responsible records currently perform the functions set forth in paragraph (2).

(II) The court may not order [NIMA] *NGA* to review the content of any exempted operational file or files in order to make the demonstration required under subclause (I), unless the complainant disputes NIMA's showing with a sworn written submission based on personal knowledge or otherwise admissible evidence.

* * * * * * *

(vi) If the court finds under this paragraph that [NIMA] *NGA* has improperly withheld requested records because of failure to comply with any provision of this subsection, the court shall order [NIMA] *NGA* to search and review the appropriate exempted operational file or files for the requested records and make such records, or portions thereof, available in accordance with the provisions of section 552 of title 5, United States Code, and such order shall be the exclusive remedy for failure to comply with this subsection.

(vii) If at any time following the filing of a complaint pursuant to this paragraph [NIMA] *NGA* agrees to search the appropriate exempted operational file or files for the requested records, the court shall dismiss the claim based upon such complaint.

* * * * * * *

(b) DECENNIAL REVIEW OF EXEMPTED OPERATIONAL FILES.—(1) Not less than once every 10 years, the Director of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* and the Director of Central Intelligence shall review the exemptions in force under subsection (a)(1) to determine whether such exemptions may be removed from the category of exempted files or any portion thereof. The Director of Central Intelligence must approve any determination to remove such exemptions.

* * * * * * *

(3) A complainant that alleges that [NIMA] *NGA* has improperly withheld records because of failure to comply with this subsection may seek judicial review in the district court of the United States of the district in which any of the parties reside, or in the District of Columbia. In such a proceeding, the court's review shall be limited to determining the following:

(A) Whether [NIMA] *NGA* has conducted the review required by paragraph (1) before the expiration of the 10-year period beginning on the date of the enactment of this section or before the expiration of the 10-year period beginning on the date of the most recent review.

(B) Whether [NIMA] *NGA*, in fact, considered the criteria set forth in paragraph (2) in conducting the required review.

* * * * * * *

APPOINTMENT OF OFFICIALS RESPONSIBLE FOR INTELLIGENCE-RELATED ACTIVITIES

SEC. 106. (a) CONCURRENCE OF DCI IN CERTAIN APPOINTMENTS.—(1) * * *

(2) Paragraph (1) applies to the following positions:

(A) * * *

* * * * * * *

(C) The Director of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency*.

* * * * * * *

NATIONAL MISSION OF [NATIONAL IMAGERY AND MAPPING AGENCY] *NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY*

SEC. 110. (a) IN GENERAL.—In addition to the Department of Defense missions set forth in section 442 of title 10, United States Code, the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* shall support the [imagery] *geospatial intelligence* requirements of the Department of State and other departments and agencies of the United States outside the Department of Defense.

(b) REQUIREMENTS AND PRIORITIES.—The Director of Central Intelligence shall establish requirements and priorities governing the collection of national intelligence by the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* under subsection (a).

(c) CORRECTION OF DEFICIENCIES.—The Director of Central Intelligence shall develop and implement such programs and policies as the Director and the Secretary of Defense jointly determine necessary to review and correct deficiencies identified in the capabilities of the [National Imagery and Mapping Agency] *National Geospatial-Intelligence Agency* to accomplish assigned national missions, including support to the all-source analysis and production process. The Director shall consult with the Secretary of Defense on the development and implementation of such programs and policies. The Secretary shall obtain the advice of the Chairman of the Joint Chiefs of Staff regarding the matters on which the Director and the Secretary are to consult under the preceding sentence.

* * * * * * *

SECTION 4004 OF THE DEFENSE ECONOMIC ADJUSTMENT, DIVERSIFICATION, CONVERSION, AND STABILIZATION ACT OF 1990

SEC. 4004. CONTINUATION OF ECONOMIC ADJUSTMENT COMMITTEE

(a) * * *

(b) CHAIRMAN.—[Until October 1, 1997, the] *The* Secretary of Defense shall be the chairman of the Committee. [After that, the chairmanship shall rotate annually among the Secretary of Defense, Secretary of Labor, and the Secretary of Commerce.]

* * * * * * *

SECTION 1405 OF THE DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

[SEC. 1405. TWO-YEAR BUDGET CYCLE FOR THE DEPARTMENT OF DEFENSE.

[(a) FINDINGS.—The Congress finds that the programs and activities of the Department of Defense could be more effectively and efficiently planned and managed if funds for the Department were provided on a two-year cycle rather than annually.

[(b) REQUIREMENT FOR TWO-YEAR BUDGET PROPOSAL.—The President shall include in the budget submitted to the Congress pursuant to section 1105 of title 31, United States Code, for fiscal year 1988 a single proposed budget for the Department of Defense and related agencies for fiscal years 1988 and 1989. Thereafter, the President shall submit a proposed two-year budget for the Department of Defense and related agencies every other year.

[(c) REPORT.—Not later than April 1, 1986, the Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a report containing the Secretary's views on the following:

[(1) The advantages and disadvantages of operating the Department of Defense and related agencies on a two-year budget cycle.

[(2) The Secretary's plans for converting to a two-year budget cycle.

[(3) A description of any impediments (statutory or otherwise) to converting the operations of the Department of Defense and related agencies to a two-year budget cycle beginning with fiscal year 1988.]

SECTION 656 OF THE FOREIGN ASSISTANCE ACT OF 1961

[SEC. 656. ANNUAL FOREIGN MILITARY TRAINING REPORT.

[(a) ANNUAL REPORT.—

[(1) IN GENERAL.—Not later than January 31 of each year, the Secretary of Defense and the Secretary of State shall jointly prepare and submit to the appropriate congressional committees a report on all military training provided to foreign military personnel by the Department of Defense and the De-

partment of State during the previous fiscal year and all such training proposed for the current fiscal year.

[(2) EXCEPTION FOR CERTAIN COUNTRIES.—Paragraph (1) does not apply to any NATO member, Australia, Japan, or New Zealand, unless one of the appropriate congressional committees has specifically requested, in writing, inclusion of such country in the report. Such request shall be made not later than 90 calendar days prior to the date on which the report is required to be transmitted.

[(b) CONTENTS.—The report described in subsection (a) shall include the following:

[(1) For each military training activity, the foreign policy justification and purpose for the activity, the number of foreign military personnel provided training and their units of operation, and the location of the training.

[(2) For each country, the aggregate number of students trained and the aggregate cost of the military training activities.

[(3) With respect to United States personnel, the operational benefits to United States forces derived from each military training activity and the United States military units involved in each activity.

[(c) FORM.—The report described in subsection (a) shall be in unclassified form but may include a classified annex.

[(d) AVAILABILITY ON INTERNET.—All unclassified portions of the report described in subsection (a) shall be made available to the public on the Internet through the Department of State.

[(e) DEFINITION.—In this section, the term 'appropriate congressional committees' means—

[(1) the Committee on Appropriations and the Committee on International Relations of the House of Representatives; and

[(2) the Committee on Appropriations and the Committee on Foreign Relations of the Senate.]

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991

* * * * * * *

TITLE XXIX—DEFENSE BASE CLOSURES AND REALIGNMENTS

* * * * * * *

Part B—Other Provisions Relating to Defense Base Closures and Realignments

SEC. 2921. CLOSURE OF FOREIGN MILITARY INSTALLATIONS

(a) * * *

* * * * * * *

(f) OMB REVIEW OF PROPOSED SETTLEMENTS.—(1) The Secretary of Defense may not enter into an agreement of settlement with a host country regarding the release to the host country of im-

provements made by the United States to facilities at an installation located in the host country until [30] *14* days after the date on which the Secretary submits the proposed settlement to the Director of the Office of Management and Budget. The prohibition set forth in the preceding sentence shall apply only to agreements of settlement for improvements having a value in excess of $10,000,000. The Director shall evaluate the overall equity of the proposed settlement. In evaluating the proposed settlement, the Director shall consider such factors as the extent of the United States capital investment in the improvements being released to the host country, the depreciation of the improvements, the condition of the improvements, and any applicable requirements for environmental remediation or restoration at the installation.

* * * * * * *

(g) CONGRESSIONAL OVERSIGHT OF PAYMENTS-IN-KIND.—(1) Not less than [30] *14* days before concluding an agreement for acceptance of military construction or facility improvements as a payment-in-kind, the Secretary of Defense shall submit to Congress a notification on the proposed agreement. Any such notification shall contain the following:

(A) * * *

* * * * * * *

(2) Not less than [30] *14* days before concluding an agreement for acceptance of host nation support or host nation payment of operating costs of United States forces as a payment-in-kind, the Secretary of Defense shall submit to Congress a notification on the proposed agreement. Any such notification shall contain the following:

(A) * * *

* * * * * * *

SEC. 2926. CONTRACTS FOR CERTAIN ENVIRONMENTAL RESTORATION ACTIVITIES

(a) * * *

* * * * * * *

[(g) REPORT.—The Secretary of Defense shall include a description of the progress made during the preceding fiscal year in implementing and accomplishing the goals of this section within the annual report to Congress required by section 2706 of title 10, United States Code.]

* * * * * * *

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

* * * * * * *

TITLE VII—HEALTH CARE PROVISIONS

* * * * * * *

PART C—MISCELLANEOUS

SEC. 734. REGISTRY OF MEMBERS OF THE ARMED FORCES EXPOSED TO FUMES OF BURNING OIL IN CONNECTION WITH OPERATION DESERT STORM.

(a) * * *

* * * * * * *

[(c) REPORTING REQUIREMENT RELATING TO EXPOSURE STUDIES.—The Secretary shall submit to Congress each year, at or about the time that the President's budget is submitted that year under section 1105 of title 31, United States Code, a report regarding—

[(1) the results of all on-going studies on the members referred to in subsection (a)(1) to determine the health consequences (including any short- or long-term consequences) of the exposure of such members to the fumes of burning oil; and

[(2) the need for additional studies relating to the exposure of such members to such fumes.]

* * * * * * *

TITLE XXVIII—GENERAL PROVISIONS

* * * * * * *

PART A—MILITARY CONSTRUCTION PROGRAM AND MILITARY FAMILY HOUSING CHANGES

* * * * * * *

PART E—MISCELLANEOUS

* * * * * * *

SEC. 2868. REPORTS RELATING TO MILITARY CONSTRUCTION FOR FACILITIES SUPPORTING NEW WEAPON SYSTEMS.

(a) REQUIREMENT.—[The Secretary of Defense shall submit to Congress with the budget submitted under section 1105 of title 31, United States Code, for the fiscal year in which the first construction of a facility for the permanent basing of a new weapon system is to be authorized] *Not later than 30 days after the date on which a decision is made selecting the site or sites for the permanent basing of a new weapon system, the Secretary of Defense shall submit to Congress* a report describing—

(1) * * *

* * * * * * *

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1995

* * * * * * *

TITLE VII—HEALTH CARE PROVISIONS

* * * * * * *

Subtitle C—Persian Gulf Illness

SEC. 721. PROGRAMS RELATED TO DESERT STORM MYSTERY ILLNESS.

(a) * * *

* * * * * * *

[(h) ANNUAL REPORT TO CONGRESS.—(1) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives an annual report on—

[(A) efforts taken and results achieved in notifying members of the Armed Forces and their families as part of the outreach program required by subsection (a);

[(B) efforts taken to revise the Physical Evaluation Board disability rating criteria and interim efforts to adjudicate cases before the revision of the criteria; and

[(C) results of the review and rerating of previously separated servicemembers.

[(2) The first report under paragraph (1) shall be submitted not later than 120 days after the date of the enactment of this Act.]

* * * * * * *

TITLE XIII—MATTERS RELATING TO ALLIES AND OTHER NATIONS

Subtitle A—Matters Relating to NATO

* * * * * * *

SEC. 1306. GEORGE C. MARSHALL EUROPEAN CENTER FOR SECURITY STUDIES.

(a) * * *

(b) WAIVER OF CHARGES.—(1) The Secretary of Defense may waive reimbursement of the costs of conferences, seminars, courses of instruction, or similar educational activities of the George C. Marshall European Center for Security Studies for military officers and civilian officials [of cooperation partner states of the North Atlantic Cooperation Council or the Partnership for Peace] *from states located in Europe or the territory of the former Soviet Union* if the Secretary determines that attendance by such personnel without reimbursement is in the national security interest of the United States.

* * * * * * *

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

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TITLE III—OPERATION AND MAINTENANCE

* * * * * * *

Subtitle C—Environmental Provisions

* * * * * * *

SEC. 324. SHIPBOARD SOLID WASTE CONTROL.

(a) * * *

* * * * * * *

[(c) REPORT ON COMPLIANCE WITH ANNEX V TO THE CONVENTION.—The Secretary of Defense shall include in each report on environmental compliance activities submitted to Congress under section 2706(b) of title 10, United States Code, the following information:

[(1) A list of the ship types, if any, for which the Secretary of the Navy has made the determination referred to in paragraph (2)(C) of section 3(c) of the Act to Prevent Pollution from Ships, as amended by subsection (a)(2) of this section.

[(2) A list of ship types which the Secretary of the Navy has determined can comply with Regulation 5 of Annex V to the Convention.

[(3) A summary of the progress made by the Navy in implementing the requirements of paragraphs (2) and (3) of such section 3(c), as so amended.

[(4) A description of any emerging technologies offering the potential to achieve full compliance with Regulation 5 of Annex V to the Convention.

[(5) The amount and nature of the discharges in special areas, not otherwise authorized under the Act to Prevent Pollution from Ships (33 U.S.C. 1901 et seq.), during the preceding year from ships referred to in section 3(b)(1)(A) of such Act owned or operated by the Department of the Navy.]

* * * * * * *

TITLE X—GENERAL PROVISIONS

* * * * * * *

Subtitle F—Other Matters

* * * * * * *

SEC. 1065. GEORGE C. MARSHALL EUROPEAN CENTER FOR STRATEGIC SECURITY STUDIES.

(a) * * *

(b) MARSHALL CENTER PARTICIPATION BY FOREIGN NATIONS.—[(1)] Notwithstanding any other provision of law, the Secretary of Defense may authorize participation by a European or Eurasian nation in Marshall Center programs if the Secretary determines,

after consultation with the Secretary of State, that such participation is in the national interest of the United States.

[(2) Not later than January 31 of each year, the Secretary of Defense shall submit to Congress a report setting forth the names of the foreign nations permitted to participate in programs of the Marshall Center during the preceding year under paragraph (1). Each such report shall be prepared by the Secretary with the assistance of the Director of the Marshall Center.]

* * * * * * *

SEC. 1084. DEFENSE BURDENSHARING.

(a) * * *

(e) REPORT DATE.—Section 1003(c) of Public Law [98–515] *98–525* is amended by striking out "each year" and inserting "by March 1, 1998, and every other year thereafter".

* * * * * * *

SECTION 8009 OF THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997

SEC. 8009. None of the funds provided in this Act shall be available to initiate (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of $20,000,000, or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year[, unless the congressional defense committees have been notified at least thirty days in advance of the proposed contract award]: *Provided,* That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: *Provided further,* That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed $500,000,000 unless specifically provided in this Act: *Provided further,* That no multiyear procurement contract can be terminated without 10-day prior notification to the congressional defense committees: *Provided further,* That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement: *Provided further,* That notwithstanding Section 8010 of Public Law 104–61, funds appropriated for the DDG–15 destroyer program in Public Law 104–61 may be used to initiate a multiyear contract for the Raleigh Burke class destroyer program.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

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TITLE III—OPERATION AND MAINTENANCE

* * * * * * *

Subtitle C—Environmental Provisions

* * * * * * *

SEC. 349. PARTNERSHIPS FOR INVESTMENT IN INNOVATIVE ENVIRONMENTAL TECHNOLOGIES.

(a) * * *

* * * * * * *

[(e) REPORT.—In the annual report required under section 2706(a) of title 10, United States Code, the Secretary of Defense shall include the following information with respect to partnerships entered into under this section:

[(1) The number of such partnerships.

[(2) A description of the nature of the technology involved in each such partnership.

[(3) A list of all partners in such partnerships.]

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STROM THURMOND NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

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TITLE VII—HEALTH CARE PROVISIONS

* * * * * * *

Subtitle E—Other Matters

SEC. 745. JOINT DEPARTMENT OF DEFENSE AND DEPARTMENT OF VETERANS AFFAIRS REPORTS RELATING TO INTERDEPARTMENTAL COOPERATION IN THE DELIVERY OF MEDICAL CARE.

(a) * * *

* * * * * * *

(e) PARTICIPATION IN TRICARE.—[(1)] The Secretary of Defense shall review the TRICARE program to identify opportunities for increased participation by the Department of Veterans Affairs in that program. The ongoing collaboration between Department of Defense officials and Department of Veterans Affairs officials regarding increased participation shall be included among the matters reviewed.

[(2) The Secretary of Defense and the Secretary of Veterans Affairs shall jointly submit to the appropriate committees of Congress a semiannual report on the status of the review under this subsection and on efforts to increase the participation of the De-

partment of Veterans Affairs in the TRICARE program. No report is required under this paragraph after the submission of a semiannual report in which the Secretaries declare that the Department of Veterans Affairs is participating in the TRICARE program to the extent that can reasonably be expected to be attained.]

* * * * * * *

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

* * * * * * *

Subtitle A—Amendments to General Contracting Authorities, Procedures, and Limitations

* * * * * * *

[SEC. 807. PARA-ARAMID FIBERS AND YARNS.

[(a) AUTHORITY.—The Secretary of Defense may procure articles containing para-aramid fibers and yarns manufactured in a foreign country referred to in subsection (d) if the Secretary determines that—

[(1) procuring articles that contain only para-aramid fibers and yarns manufactured from suppliers within the national technology and industrial base would result in sole-source contracts or subcontracts for the supply of such para-aramid fibers and yarns; and

[(2) such sole-source contracts or subcontracts would not be in the best interests of the Government or consistent with the objectives of section 2304 of title 10, United States Code.

[(b) SUBMISSION TO CONGRESS.—Not later than 30 days after making a determination under subsection (a), the Secretary shall submit to Congress a copy of the determination.

[(c) APPLICABILITY TO SUBCONTRACTS.—The authority under subsection (a) applies with respect to subcontracts under Department of Defense contracts as well as to such contracts.

[(d) FOREIGN COUNTRIES COVERED.—The authority under subsection (a) applies with respect to a foreign country that—

[(1) is a party to a defense memorandum of understanding entered into under section 2531 of this title; and

[(2) permits United States firms that manufacture para-aramid fibers and yarns to compete with foreign firms for the sale of para-aramid fibers and yarns in that country, as determined by the Secretary of Defense.

[(e) DEFINITION.—In this section, the term "national technology and industrial base" has the meaning given that term in section 2500 of title 10, United States Code.]

* * * * * * *

Subtitle B—Other Matters

* * * * * * *

SEC. 819. FIVE-YEAR AUTHORITY FOR SECRETARY OF THE NAVY TO EXCHANGE CERTAIN ITEMS.

(a) BARTER AUTHORITY.—The Secretary of the Navy may enter into a barter agreement to convey trucks and other tactical vehicles in exchange for the repair and remanufacture of ribbon bridges for the Marine Corps. The Secretary shall enter into any such agreement in accordance with [section 201(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(c)),] *section 503 of title 40, United States Code,* and the regulations issued under such section, except that the requirement that the items to be exchanged be similar shall not apply to the authority provided under this subsection.

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TITLE XII—MATTERS RELATING TO OTHER NATIONS

* * * * * * *

Subtitle C—Matters Relating to NATO and Europe

* * * * * * *

[SEC. 1223. REPORTS ON THE DEVELOPMENT OF THE EUROPEAN SECURITY AND DEFENSE IDENTITY.

[(a) REQUIREMENT FOR REPORTS.—The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives in accordance with this section reports on the development of the European Security and Defense Identity (ESDI) within the NATO Alliance that would enable the Western European Union (WEU), with the consent of the NATO Alliance, to assume the political control and strategic direction of NATO assets and capabilities made available by the Alliance.

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

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

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

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

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

[(2) A discussion of the development of such planning and other capabilities by the Western European Union that are necessary to provide political control and strategic direction of NATO assets and capabilities.

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

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

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

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

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

[(8) The conduct by NATO, at the request of and in coordination with the Western European Union, of military planning and exercises for illustrative missions.

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

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

[(d) TERMINATION OF REPORTING REQUIREMENT.—The requirement to submit reports under subsection (b)(2) terminates upon the submission by the Secretary under that subsection of a report in which the Secretary states that the European Security and Defense Identity has been fully established.]

* * * * * * *

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2000

* * * * * * *

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

* * * * * * *

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 212. SENSE OF CONGRESS REGARDING DEFENSE SCIENCE AND TECHNOLOGY PROGRAM.

(a) * * *

* * * * * * *

[(c) CERTIFICATION.—If the proposed budget for a fiscal year covered by subsection (b) fails to comply with the objective set forth in that subsection—

[(1) the Secretary of Defense shall submit to Congress—

[(A) the certification of the Secretary that the budget does not jeopardize the stability of the defense technology base or increase the risk of failure to maintain technological superiority in future weapon systems; or

[(B) a statement of the Secretary explaining why the Secretary is unable to submit such certification; and

[(2) the Defense Science Board shall, not more than 60 days after the date on which the Secretary submits the certification or statement under paragraph (1), submit to the Secretary and Congress a report assessing the effect such failure to comply is likely to have on defense technology and the national defense.]

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TITLE VII—HEALTH CARE PROVISIONS

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Subtitle C—Other Matters

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SEC. 724. JOINT TELEMEDICINE AND TELEPHARMACY DEMONSTRATION PROJECTS BY THE DEPARTMENT OF DEFENSE AND DEPARTMENT OF VETERANS AFFAIRS.

(a) * * *

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[(e) REPORT.—Not later than December 31, 2002, the Secretaries shall jointly submit to Congress a report on the demonstration projects. The report shall include—

[(1) a description of each demonstration project; and

[(2) an evaluation, based on the demonstration projects, of the feasibility and practicability of using telecommunications to provide health care services and pharmacy services, including the provision of such services to field hospitals of the Armed Forces and to Department of Veterans Affairs outpatient health care clinics.]

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TITLE X—GENERAL PROVISIONS

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Subtitle D—Miscellaneous Report Requirements and Repeals

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SEC. 1039. REPORT ON NATO DEFENSE CAPABILITIES INITIATIVE.

(a) * * *

[(b) ANNUAL REPORT.—(1) Not later than January 31 of each year, the Secretary of Defense shall submit to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and International Relations of the House of Representatives a report, to be prepared in consultation with the Secretary of State, on implementation of the Defense Capabilities Initiative by the nations of the NATO Alliance. The report shall include the following:

[(A) A discussion of the work of the temporary High-Level Steering Group, or any successor group, established to oversee the implementation of the Defense Capabilities Initiative and to meet the requirement of coordination and harmonization among relevant planning disciplines.

[(B) A description of the actions taken, including implementation of the Multinational Logistics Center concept and development of the C3 system architecture, by the Alliance as a whole to further the Defense Capabilities Initiative.

[(C) A description of the actions taken by each member of the Alliance other than the United States to improve the capabilities of its forces in each of the following areas:

[(i) Interoperability with forces of other Alliance members.

[(ii) Deployability and mobility.

[(iii) Sustainability and logistics.

[(iv) Survivability and effective engagement capability.

[(v) Command and control and information systems.

[(2) The report shall be submitted in unclassified form, but may also be submitted in classified form if necessary.]

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TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

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SEC. 1305. LIMITATION ON USE OF FUNDS FOR CHEMICAL WEAPONS DESTRUCTION.

No fiscal year 2000 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction programs after the date of the enactment of this Act, may be obligated or ex-

pended for planning, design, or construction of a chemical weapons destruction facility in Russia until the Secretary of Defense submits to Congress a certification that there has been—

(1) * * *

* * * * * * *

(6) a demonstrated commitment from the international community to fund and build infrastructure needed to support and operate the facility.[.]

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

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

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Subtitle C—Program Authorizations, Restrictions, and Limitations

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[SEC. 3132. CONTINUATION OF PROCESSING, TREATMENT, AND DISPOSITION OF LEGACY NUCLEAR MATERIALS.

[The Secretary of Energy shall continue operations and maintain a high state of readiness at the F-canyon and H-canyon facilities at the Savannah River Site, Aiken, South Carolina, and shall provide the technical staff necessary to operate and so maintain such facilities.

[SEC. 3133. NUCLEAR WEAPONS STOCKPILE LIFE EXTENSION PROGRAM.

[(a) PROGRAM REQUIRED.—The Secretary of Energy shall, in consultation with the Secretary of Defense, carry out a program to provide for the extension of the effective life of the weapons in the nuclear weapons stockpile.

[(b) ADMINISTRATIVE RESPONSIBILITY FOR PROGRAM.—(1) The program under subsection (a) shall be carried out through the element of the Department of Energy with responsibility for defense programs.

[(2) For each budget submitted by the President to Congress under section 1105 of title 31, United States Code, the amounts requested for the program shall be clearly identified in the budget justification materials submitted to Congress in support of that budget.

[(c) PROGRAM PLAN.—As part of the program under subsection (a), the Secretary shall develop a long-term plan for the extension of the effective life of the weapons in the nuclear weapons stockpile. The plan shall include the following:

[(1) Mechanisms to provide for the remanufacture, refurbishment, and modernization of each weapon design designated by the Secretary for inclusion in the enduring nuclear weapons stockpile as of the date of the enactment of this Act.

[(2) Mechanisms to expedite the collection of information necessary for carrying out the program, including information relating to the aging of materials and components, new manufacturing techniques, and the replacement or substitution of materials.

[(3) Mechanisms to ensure the appropriate assignment of roles and missions for each nuclear weapons laboratory and production plant of the Department, including mechanisms for allocation of workload, mechanisms to ensure the carrying out of appropriate modernization activities, and mechanisms to ensure the retention of skilled personnel.

[(4) Mechanisms for allocating funds for activities under the program, including allocations of funds by weapon type and facility.

[(5) An identification of the funds needed, in the current fiscal year and in each of the next five fiscal years, to carry out the program.

[(d) ANNUAL SUBMITTAL OF PLAN.—(1) The Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives the plan developed under subsection (c) not later than January 1, 2000. The plan shall contain the maximum level of detail practicable.

[(2) The Secretary shall submit to the committees referred to in paragraph (1) each year after 2000, at the same time as the submission of the budget for the fiscal year beginning in such year under section 1105 of title 31, United States Code, an update of the plan submitted under paragraph (1). Each update shall contain the same level of detail as the plan submitted under paragraph (1).

[(e) GAO ASSESSMENT.—Not later than 30 days after the submission of the plan under subsection (d)(1) or any update of the plan under subsection (d)(2), the Comptroller General shall submit to the committees referred to in subsection (d)(1) an assessment of whether the program can be carried out under the plan or the update (as applicable)—

[(1) in the current fiscal year, given the budget for that fiscal year; and

[(2) in future fiscal years.

[(f) SENSE OF CONGRESS REGARDING FUNDING OF PROGRAM.—It is the sense of Congress that the President should include in each budget for a fiscal year submitted to Congress under section 1105 of title 31, United States Code, sufficient funds to carry out in the fiscal year covered by such budget the activities under the program under subsection (a) that are specified in the most current version of the plan for the program under this section.

[(g) TERMINATION OF ANNUAL UPDATES.—Effective December 31, 2004, the requirements of subsections (c), (d), (e), and (f) shall terminate.

[SEC. 3134. PROCEDURES FOR MEETING TRITIUM PRODUCTION REQUIREMENTS.

[(a) PRODUCTION OF NEW TRITIUM.—The Secretary of Energy shall produce new tritium to meet the requirements of the Nuclear

Weapons Stockpile Memorandum at the Tennessee Valley Authority Watts Bar or Sequoyah nuclear power plants consistent with the Secretary's December 22, 1998, decision document designating the Secretary's preferred tritium production technology.

[(b) SUPPORT.—To support the method of tritium production set forth in subsection (a), the Secretary shall design and construct a new tritium extraction facility in the H-Area of the Savannah River Site, Aiken, South Carolina.

[(c) DESIGN AND ENGINEERING DEVELOPMENT.—The Secretary shall—

[(1) complete preliminary design and engineering development of the Accelerator Production of Tritium technology design as a backup source of tritium to the source set forth in subsection (a) and consistent with the Secretary's December 22, 1998, decision document; and

[(2) make available those funds necessary to complete engineering development and demonstration, preliminary design, and detailed design of key elements of the system consistent with the Secretary's decision document of December 22, 1998.]

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[SEC. 3136. NONPROLIFERATION INITIATIVES AND ACTIVITIES.

[(a) INITIATIVE FOR PROLIFERATION PREVENTION PROGRAM.—(1) Not more than 35 percent of the funds available in any fiscal year after fiscal year 1999 for the Initiatives for Proliferation Prevention program (IPP) may be obligated or expended by the Department of Energy national laboratories to carry out or provide oversight of any activities under that program.

[(2)(A) None of the funds available in any fiscal year after fiscal year 1999 for the Initiatives for Proliferation Prevention program may be used to increase or otherwise supplement the pay or benefits of a scientist or engineer if the scientist or engineer—

[(i) is currently engaged in activities directly related to the design, development, production, or testing of chemical or biological weapons or a missile system to deliver such weapons; or

[(ii) was not formerly engaged in activities directly related to the design, development, production, or testing of weapons of mass destruction or a missile system to deliver such weapons.

[(B) None of the funds available in any fiscal year after fiscal year 1999 for the Initiatives for Proliferation Prevention program may be made available to an institute if the institute—

[(i) is currently involved in activities described in subparagraph (A)(i); or

[(ii) was not formerly involved in activities described in subparagraph (A)(ii).

[(3)(A) No funds available for the Initiatives for Proliferation Prevention program may be provided to an institute or scientist under the program if the Secretary of Energy determines that the institute or scientist has made a scientific or business contact in any way associated with or related to weapons of mass destruction with a representative of a country of proliferation concern.

[(B) For purposes of this paragraph, the term "country of proliferation concern" means any country so designated by the Direc-

tor of Central Intelligence for purposes of the Initiatives for Proliferation Prevention program.

[(4)(A) The Secretary of Energy shall prescribe procedures for the review of projects under the Initiatives for Proliferation Prevention program. The purpose of the review shall be to ensure the following:

[(i) That the military applications of such projects, and any information relating to such applications, is not inadvertently transferred or utilized for military purposes.

[(ii) That activities under the projects are not redirected toward work relating to weapons of mass destruction.

[(iii) That the national security interests of the United States are otherwise fully considered before the commencement of the projects.

[(B) Not later than 30 days after the date on which the Secretary prescribes the procedures required by subparagraph (A), the Secretary shall submit to Congress a report on the procedures. The report shall set forth a schedule for the implementation of the procedures.

[(5)(A) The Secretary shall evaluate the projects carried out under the Initiatives for Proliferation Prevention program for commercial purposes to determine whether or not such projects are likely to achieve their intended commercial objectives.

[(B) If the Secretary determines as a result of the evaluation that a project is not likely to achieve its intended commercial objective, the Secretary shall terminate the project.

[(6) Funds appropriated for the Initiatives for Proliferation Prevention program may not be used to pay any tax or customs duty levied by the government of the Russian Federation. In the event payment of such a tax or customs duty with such funds is unavoidable, the Secretary of Energy shall—

[(A) after such payment, submit a report to the congressional defense committees explaining the particular circumstances making such payment under the Initiatives for Proliferation Prevention program with such funds unavoidable; and

[(B) ensure that sufficient additional funds are provided to the Initiatives for Proliferation Prevention Program to offset the amount of such payment.

[(b) NUCLEAR CITIES INITIATIVE.—(1) No amounts authorized to be appropriated by this title for the Nuclear Cities Initiative may be obligated or expended for purposes of the initiative until the Secretary of Energy certifies to Congress that Russia has agreed to close some of its facilities engaged in work on weapons of mass destruction.

[(2) Notwithstanding a certification under paragraph (1), amounts authorized to be appropriated by this title for the Nuclear Cities Initiative may not be obligated or expended for purposes of providing assistance under the initiative to more than three nuclear cities, and more than two serial production facilities, in Russia in fiscal year 2000.

[(3)(A) The Secretary shall conduct a study of the potential economic effects of each commercial program proposed under the Nuclear Cities Initiative before providing assistance for the conduct of the program. The study shall include an assessment regarding

whether or not the mechanisms for job creation under each program are likely to lead to the creation of the jobs intended to be created by that program.

[(B) If the Secretary determines as a result of the study that the intended commercial benefits of a program are not likely to be achieved, the Secretary may not provide assistance for the conduct of that program.

[(4) Not later than January 1, 2000, the Secretary shall submit to Congress a report describing the participation in or contribution to the Nuclear Cities Initiative of each department and agency of the United States Government that participates in or contributes to the initiative. The report shall describe separately any interagency participation in or contribution to the initiative.

[(c) REPORT.—(1) Not later than January 1, 2000, the Secretary of Energy 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 Initiatives for Proliferation Prevention program and the Nuclear Cities Initiative.

[(2) The report shall include the following:

[(A) A strategic plan for the Initiatives for Proliferation Prevention program and for the Nuclear Cities Initiative, which shall establish objectives for the program or initiative, as the case may be, and means for measuring the achievement of such objectives.

[(B) A list of the most successful projects under the Initiatives for Proliferation Prevention program, including for each such project the name of the institute and scientists who are participating or have participated in the project, the number of jobs created through the project, and the manner in which the project has met the nonproliferation objectives of the United States.

[(C) A list of the institutes and scientists associated with weapons of mass destruction programs or other defense-related programs in the states of the former Soviet Union that the Department seeks to engage in commercial work under the Initiatives for Proliferation Prevention program or the Nuclear Cities Initiative, including—

[(i) a description of the work performed by such institutes and scientists under such weapons of mass destruction programs or other defense-related programs; and

[(ii) a description of any work proposed to be performed by such institutes and scientists under the Initiatives for Proliferation Prevention program or the Nuclear Cities Initiative.

[(d) NUCLEAR CITIES INITIATIVE DEFINED.—For purposes of this section, the term "Nuclear Cities Initiative" means the initiative arising pursuant to the March 1998 discussions between the Vice President of the United States and the Prime Minister of the Russian Federation and between the Secretary of Energy of the United States and the Minister of Atomic Energy of the Russian Federation.]

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Subtitle D—Matters Relating to Safeguards, Security, and Counterintelligence

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[SEC. 3143. BACKGROUND INVESTIGATIONS OF CERTAIN PERSONNEL AT DEPARTMENT OF ENERGY FACILITIES.

[(a) IN GENERAL.—The Secretary of Energy shall ensure that an investigation meeting the requirements of section 145 of the Atomic Energy Act of 1954 (42 U.S.C. 2165) is made for each Department of Energy employee, or contractor employee, at a national laboratory or nuclear weapons production facility who—

[(1) carries out duties or responsibilities in or around a location where Restricted Data is present; or

[(2) has or may have regular access to a location where Restricted Data is present.

[(b) COMPLIANCE.—The Secretary shall have 15 months from the date of the enactment of this Act to meet the requirement in subsection (a).]

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[SEC. 3145. PROTECTION OF CLASSIFIED INFORMATION DURING LABORATORY-TO-LABORATORY EXCHANGES.

[(a) PROVISION OF TRAINING.—The Secretary of Energy shall ensure that all Department of Energy employees and Department of Energy contractor employees participating in laboratory-to-laboratory cooperative exchange activities are fully trained in matters relating to the protection of classified information and to potential espionage and counterintelligence threats.

[(b) COUNTERING OF ESPIONAGE AND INTELLIGENCE-GATHERING ABROAD.—(1) The Secretary shall establish a pool of Department employees and Department contractor employees who are specially trained to counter threats of espionage and intelligence-gathering by foreign nationals against Department employees and Department contractor employees who travel abroad for laboratory-to-laboratory exchange activities or other cooperative exchange activities on behalf of the Department.

[(2) The Director of Counterintelligence of the Department of Energy may assign at least one employee from the pool established under paragraph (1) to accompany a group of Department employees or Department contractor employees who travel to any nation designated to be a sensitive country for laboratory-to-laboratory exchange activities or other cooperative exchange activities on behalf of the Department.

[SEC. 3146. RESTRICTIONS ON ACCESS TO NATIONAL LABORATORIES BY FOREIGN VISITORS FROM SENSITIVE COUNTRIES.

[(a) BACKGROUND REVIEW REQUIRED.—The Secretary of Energy may not admit to any facility of a national laboratory other than areas accessible to the general public any individual who is a citizen or agent of a nation that is named on the current sensitive countries list unless the Secretary first completes a background review with respect to that individual.

[(b) MORATORIUM PENDING CERTIFICATION.—(1) During the period described in paragraph (2), the Secretary may not admit to

any facility of a national laboratory other than areas accessible to the general public any individual who is a citizen or agent of a nation that is named on the current sensitive countries list.

[(2) The period referred to in paragraph (1) is the period beginning 30 days after the date of the enactment of this Act and ending on the later of the following:

[(A) The date that is 90 days after the date of the enactment of this Act.

[(B) The date that is 45 days after the date on which the Secretary submits to Congress the certifications described in paragraph (3).

[(3) The certifications referred to in paragraph (2) are one certification each by the Director of Counterintelligence of the Department of Energy, the Director of the Federal Bureau of Investigation, and the Director of Central Intelligence, of each of the following:

[(A) That the foreign visitors program at that facility complies with applicable orders, regulations, and policies of the Department of Energy relating to the safeguarding and security of sensitive information and fulfills any counterintelligence requirements arising under such orders, regulations, and policies.

[(B) That the foreign visitors program at that facility complies with Presidential Decision Directives and similar requirements relating to the safeguarding and security of sensitive information and fulfills any counterintelligence requirements arising under such Directives or requirements.

[(C) That the foreign visitors program at that facility includes adequate protections against the inadvertent release of Restricted Data, information important to the national security of the United States, and any other sensitive information the disclosure of which might harm the interests of the United States.

[(D) That the foreign visitors program at that facility does not pose an undue risk to the national security interests of the United States.

[(c) WAIVER OF MORATORIUM.—(1) The Secretary of Energy may waive the prohibition in subsection (b) on a case-by-case basis with respect to any specific individual or any specific delegation of individuals whose admission to a national laboratory is determined by the Secretary to be in the interest of the national security of the United States.

[(2) Not later than the seventh day of the month following a month in which a waiver is made, the Secretary shall submit a report in writing providing notice of each waiver made in that month to the following:

[(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

[(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

[(3) Each such report shall be in classified form and shall contain the identity of each individual or delegation for whom such a waiver was made and, with respect to each such individual or delegation, the following information:

[(A) A detailed justification for the waiver.

[(B) For each individual with respect to whom a background review was conducted, whether the background review determined that negative information exists with respect to that individual.

[(C) The Secretary's certification that the admission of that individual or delegation to a national laboratory is in the interest of the national security of the United States.

[(4) The authority of the Secretary under paragraph (1) may be delegated only to the Director of Counterintelligence of the Department of Energy.

[(d) EXCEPTION TO MORATORIUM FOR CERTAIN INDIVIDUALS.—The moratorium under subsection (b) shall not apply to any person who—

[(1) is, on the date of the enactment of this Act, an employee or assignee of the Department of Energy, or of a contractor of the Department; and

[(2) has undergone a background review in accordance with subsection (a).

[(e) EXCEPTION TO MORATORIUM FOR CERTAIN PROGRAMS.—The moratorium under subsection (b) shall not apply—

[(1) to activities relating to cooperative threat reduction with states of the former Soviet Union; or

[(2) to the materials protection control and accounting program of the Department.

[(f) SENSE OF CONGRESS REGARDING BACKGROUND REVIEWS.—It is the sense of Congress that the Secretary of Energy, the Director of the Federal Bureau of Investigation, and the Director of Central Intelligence should ensure that background reviews carried out under this section are completed in not more than 15 days.

[(g) DEFINITIONS.—For purposes of this section:

[(1) The term "background review", commonly known as an indices check, means a review of information provided by the Director of Central Intelligence and the Director of the Federal Bureau of Investigation regarding personal background, including information relating to any history of criminal activity or to any evidence of espionage.

[(2) The term "sensitive countries list" means the list prescribed by the Secretary of Energy known as the Department of Energy List of Sensitive Countries as in effect on January 1, 1999.]

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[SEC. 3149. SUPPLEMENT TO PLAN FOR DECLASSIFICATION OF RESTRICTED DATA AND FORMERLY RESTRICTED DATA.

[(a) SUPPLEMENT TO PLAN.—The Secretary of Energy and the Archivist of the United States shall, after consultation with the members of the National Security Council and in consultation with the Secretary of Defense and the heads of other appropriate Federal agencies, develop a supplement to the plan required under subsection (a) of section 3161 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2260; 50 U.S.C. 435 note).

[(b) CONTENTS OF SUPPLEMENT.—The supplement shall provide for the application of that plan (including in particular the ele-

ment of the plan required by section 3161(b)(1) of that Act) to all records subject to Executive Order No. 12958 that were determined before the date of the enactment of that Act to be suitable for declassification.

[(c) LIMITATION ON DECLASSIFICATION OF RECORDS.—All records referred to in subsection (b) shall be treated, for purposes of section 3161(c) of that Act, in the same manner as records referred to in section 3161(a) of that Act.

[(d) SUBMISSION OF SUPPLEMENT.—The Secretary of Energy shall submit the supplement required under subsection (a) to the recipients of the plan referred to in section 3161(d) of that Act.]

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Subtitle D—Matters Relating to Safeguards, Security, and Counterintelligence

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[SEC. 3150. NOTICE TO CONGRESSIONAL COMMITTEES OF CERTAIN SECURITY AND COUNTERINTELLIGENCE FAILURES WITHIN NUCLEAR ENERGY DEFENSE PROGRAMS.

[(a) REQUIRED NOTIFICATION.—The Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives a notification of each significant nuclear defense intelligence loss. Any such notification shall be provided only after consultation with the Director of Central Intelligence and the Director of the Federal Bureau of Investigation, as appropriate.

[(b) SIGNIFICANT NUCLEAR DEFENSE INTELLIGENCE LOSSES.—In this section, the term "significant nuclear defense intelligence loss" means any national security or counterintelligence failure or compromise of classified information at a facility of the Department of Energy or operated by a contractor of the Department that the Secretary considers likely to cause significant harm or damage to the national security interests of the United States.

[(c) MANNER OF NOTIFICATION.—Notification of a significant nuclear defense intelligence loss under subsection (a) shall be provided, in accordance with the procedures established pursuant to subsection (d), not later than 30 days after the date on which the Department of Energy determines that the loss has taken place.

[(d) PROCEDURES.—The Secretary of Energy and the Committees on Armed Services of the Senate and House of Representatives shall each establish such procedures as may be necessary to protect from unauthorized disclosure classified information, information relating to intelligence sources and methods, and sensitive law enforcement information that is submitted to those committees pursuant to this section and that are otherwise necessary to carry out the provisions of this section.

[(e) STATUTORY CONSTRUCTION.—(1) Nothing in this section shall be construed as authority to withhold any information from the Committees on Armed Services of the Senate and House of Representatives on the grounds that providing the information to those committees would constitute the unauthorized disclosure of

classified information, information relating to intelligence sources and methods, or sensitive law enforcement information.

[(2) Nothing in this section shall be construed to modify or supersede any other requirement to report information on intelligence activities to the Congress, including the requirement under section 501 of the National Security Act of 1947 (50 U.S.C. 413) for the President to ensure that the congressional intelligence committees are kept fully informed of the intelligence activities of the United States and for those committees to notify promptly other congressional committees of any matter relating to intelligence activities requiring the attention of those committees.]

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[SEC. 3152. REPORT ON COUNTERINTELLIGENCE AND SECURITY PRACTICES AT NATIONAL LABORATORIES.

[(a) IN GENERAL.—Not later than March 1 of each year, the Secretary of Energy shall submit to the Congress a report for the preceding year on counterintelligence and security practices at the facilities of the national laboratories (whether or not classified activities are carried out at the facility).

[(b) CONTENT OF REPORT.—The report shall include, with respect to each national laboratory, the following:

[(1) The number of employees, including full-time counterintelligence and security professionals and contractor employees.

[(2) A description of the counterintelligence and security training courses conducted and, for each such course, any requirement that employees successfully complete that course.

[(3) A description of each contract awarded that provides an incentive for the effective performance of counterintelligence or security activities.

[(4) A description of the requirement that an employee report the travel to sensitive countries of that employee (whether or not the travel was for official business).

[(5) The number of trips by individuals who traveled to sensitive countries, with identification of the sensitive countries visited.

[SEC. 3153. REPORT ON SECURITY VULNERABILITIES OF NATIONAL LABORATORY COMPUTERS.

[(a) REPORT REQUIRED.—Not later than March 1 of each year, the National Counterintelligence Policy Board shall prepare a report on the security vulnerabilities of the computers of the national laboratories.

[(b) PREPARATION OF REPORT.—In preparing the report, the National Counterintelligence Policy Board shall establish a so-called "red team" of individuals to perform an operational evaluation of the security vulnerabilities of the computers of one or more national laboratories, including by direct experimentation. Such individuals shall be selected by the National Counterintelligence Policy Board from among employees of the Department of Defense, the National Security Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, and of other agencies, and may be detailed to the National Counterintelligence Policy Board from such agencies without reimbursement and without interruption or loss of civil service status or privilege.

[(c) SUBMISSION OF REPORT TO SECRETARY OF ENERGY AND TO FBI DIRECTOR.—Not later than March 1 of each year, the report shall be submitted in classified and unclassified form to the Secretary of Energy and the Director of the Federal Bureau of Investigation.

[(d) FORWARDING TO CONGRESSIONAL COMMITTEES.—Not later than 30 days after the report is submitted, the Secretary and the Director shall each separately forward that report, with the recommendations in classified and unclassified form of the Secretary or the Director, as applicable, in response to the findings of that report, to the following:

[(1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

[(2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

[(e) FIRST REPORT.—The first report under this section shall be the report for the year 2000. That report shall cover each of the national laboratories.

[SEC. 3154. COUNTERINTELLIGENCE POLYGRAPH PROGRAM.

[(a) PROGRAM REQUIRED.—The Secretary of Energy, acting through the Director of Counterintelligence, shall carry out a counterintelligence polygraph program for the defense-related activities of the Department. The counterintelligence polygraph program shall consist of the administration of counterintelligence polygraph examinations to each covered person who has access to high-risk programs.

[(b) COVERED PERSONS.—(1) Subject to paragraph (2), for purposes of this section, a covered person is one of the following:

[(A) An officer or employee of the Department.

[(B) An expert or consultant under contract to the Department.

[(C) An officer or employee of a contractor of the Department.

[(D) An individual assigned or detailed to the Department.

[(E) An applicant for a position in the Department.

[(2) A person described in paragraph (1) is a covered person for purposes of this section only if the position of the person, or for which the person is applying, under that paragraph is a position in one of the categories of positions listed in section 709.4(a) of title 10, Code of Federal Regulations.

[(c) HIGH-RISK PROGRAMS.—For purposes of this section, high-risk programs are the following:

[(1) Programs using information known as Sensitive Compartmented Information.

[(2) The programs known as Special Access Programs and Personnel Security and Assurance Programs.

[(3) Any other program or position category specified in section 709.4(a) of title 10, Code of Federal Regulations.

[(d) INITIAL TESTING AND CONSENT.—(1) The Secretary may not permit a covered person to have initial access to any high-risk program unless that person first undergoes a counterintelligence polygraph examination and consents in a signed writing to the counterintelligence polygraph examinations required by this section.

[(2) Subject to paragraph (3), the Secretary may, after consultation with appropriate security personnel, waive the applicability of paragraph (1) to a covered person—

[(A) if—

[(i) the Secretary determines that the waiver is important to the national security interests of the United States;

[(ii) the covered person has an active security clearance; and

[(iii) the covered person acknowledges in a signed writing that the capacity of the covered person to perform duties under a high-risk program after the expiration of the waiver is conditional upon meeting the requirements of paragraph (1) within the effective period of the waiver;

[(B) if another Federal agency certifies to the Secretary that the covered person has completed successfully a full-scope or counterintelligence-scope polygraph examination during the 5-year period ending on the date of the certification; or

[(C) if the Secretary determines, after consultation with the covered person and appropriate medical personnel, that the treatment of a medical or psychological condition of the covered person should preclude the administration of the examination.

[(3)(A) The Secretary may not commence the exercise of the authority under paragraph (2) to waive the applicability of paragraph (1) to any covered persons until 15 days after the date on which the Secretary submits to the appropriate committees of Congress a report setting forth the criteria to be used by the Secretary for determining when a waiver under paragraph (2)(A) is important to the national security interests of the United States. The criteria shall not include the need to maintain the scientific vitality of the laboratory. The criteria shall include an assessment of counterintelligence risks and programmatic impacts.

[(B) Any waiver under paragraph (2)(A) shall be effective for not more than 120 days, and a person who is subject to a waiver under paragraph (2)(A) may not ever be subject to another waiver under paragraph (2)(A).

[(C) Any waiver under paragraph (2)(C) shall be effective for the duration of the treatment on which such waiver is based.

[(4) The Secretary shall submit to the appropriate committees of Congress on a semi-annual basis a report on any determinations made under paragraph (2)(A) during the 6-month period ending on the date of such report. The report shall include a national security justification for each waiver resulting from such determinations.

[(5) In this subsection, the term "appropriate committees of Congress" means the following:

[(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

[(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

[(6) It is the sense of Congress that the waiver authority in paragraph (2) not be used by the Secretary to exempt from the applicability of paragraph (1) any covered persons in the highest risk categories, such as persons who have access to the most sensitive weapons design information and other highly sensitive programs, including special access programs.

[(7) The authority under paragraph (2) to waive the applicability of paragraph (1) to a covered person shall expire on September 30, 2002.

[(e) ADDITIONAL TESTING.—The Secretary may not permit a covered person to have continued access to any high-risk program unless that person undergoes a counterintelligence polygraph examination within five years after that person has initial access, and thereafter—

[(1) not less frequently than every five years; and

[(2) at any time at the direction of the Director of Counterintelligence.

[(f) COUNTERINTELLIGENCE POLYGRAPH EXAMINATION.—For purposes of this section, the term "counterintelligence polygraph examination" means a polygraph examination using questions reasonably calculated to obtain counterintelligence information, including questions relating to espionage, sabotage, terrorism, unauthorized disclosure of classified information, deliberate damage to or malicious misuse of a United States Government information or defense system, and unauthorized contact with foreign nationals.

[(g) REGULATIONS.—The Secretary shall prescribe any regulations necessary to carry out this section. Those regulations shall include procedures, to be developed in consultation with the Federal Bureau of Investigation, for—

[(1) identifying and addressing "false positive" results of polygraph examinations; and

[(2) ensuring that adverse personnel actions not be taken against an individual solely by reason of that individual's physiological reaction to a question in a polygraph examination, unless reasonable efforts are first made to independently determine through alternative means the veracity of that individual's response to that question.

[(h) PLAN FOR EXTENSION OF PROGRAM.—Not later than 180 days after the date of the enactment of this Act, 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 plan on extending the program required by this section. The plan shall provide for the administration of counterintelligence polygraph examinations in accordance with the program to each covered person who has access to—

[(1) the programs known as Personnel Assurance Programs; and

[(2) the information identified as Sensitive Compartmented Information.]

* * * * * * *

[SEC. 3164. WHISTLEBLOWER PROTECTION PROGRAM.

[(a) PROGRAM REQUIRED.—The Secretary of Energy shall establish a program to ensure that covered individuals may not be discharged, demoted, or otherwise discriminated against as a reprisal for making protected disclosures.

[(b) COVERED INDIVIDUALS.—For purposes of this section, a covered individual is an individual who is an employee of the Department of Energy, or of a contractor of the Department, who is engaged in the defense activities of the Department.

[(c) PROTECTED DISCLOSURES.—For purposes of this section, a protected disclosure is a disclosure—

[(1) made by a covered individual who takes appropriate steps to protect the security of the information in accordance with guidance provided under this section;

[(2) made to a person or entity specified in subsection (d); and

[(3) of classified or other information that the covered individual reasonably believes to provide direct and specific evidence of any of the following:

[(A) A violation of law or Federal regulation.

[(B) Gross mismanagement, a gross waste of funds, or abuse of authority.

[(C) A false statement to Congress on an issue of material fact.

[(d) PERSONS AND ENTITIES TO WHICH DISCLOSURES MAY BE MADE.—A person or entity specified in this subsection is any of the following:

[(1) A member of a committee of Congress having primary responsibility for oversight of the department, agency, or element of the Government to which the disclosed information relates.

[(2) An employee of Congress who is a staff member of such a committee and has an appropriate security clearance for access to information of the type disclosed.

[(3) The Inspector General of the Department of Energy.

[(4) The Federal Bureau of Investigation.

[(5) Any other element of the Government designated by the Secretary as authorized to receive information of the type disclosed.

[(e) OFFICIAL CAPACITY OF PERSONS TO WHOM INFORMATION IS DISCLOSED.—A member of, or an employee of Congress who is a staff member of, a committee of Congress specified in subsection (d) who receives a protected disclosure under this section does so in that member or employee's official capacity as such a member or employee.

[(f) ASSISTANCE AND GUIDANCE.—The Secretary, acting through the Inspector General of the Department of Energy, shall provide assistance and guidance to each covered individual who seeks to make a protected disclosure under this section. Such assistance and guidance shall include the following:

[(1) Identifying the persons or entities under subsection (d) to which that disclosure may be made.

[(2) Advising that individual regarding the steps to be taken to protect the security of the information to be disclosed.

[(3) Taking appropriate actions to protect the identity of that individual throughout that disclosure.

[(4) Taking appropriate actions to coordinate that disclosure with any other Federal agency or agencies that originated the information.

[(g) REGULATIONS.—The Secretary shall prescribe regulations to ensure the security of any information disclosed under this section.

[(h) NOTIFICATION TO COVERED INDIVIDUALS.—The Secretary shall notify each covered individual of the following:

[(1) The rights of that individual under this section.

[(2) The assistance and guidance provided under this section.

[(3) That the individual has a responsibility to obtain that assistance and guidance before seeking to make a protected disclosure.

[(i) COMPLAINT BY COVERED INDIVIDUALS.—If a covered individual believes that that individual has been discharged, demoted, or otherwise discriminated against as a reprisal for making a protected disclosure under this section, the individual may submit a complaint relating to such matter to the Director of the Office of Hearings and Appeals of the Department of Energy.

[(j) INVESTIGATION BY OFFICE OF HEARINGS AND APPEALS.—(1) For each complaint submitted under subsection (i), the Director of the Office of Hearings and Appeals shall—

[(A) determine whether or not the complaint is frivolous; and

[(B) if the Director determines the complaint is not frivolous, conduct an investigation of the complaint.

[(2) The Director shall submit a report on each investigation undertaken under paragraph (1)(B) to—

[(A) the individual who submitted the complaint on which the investigation is based;

[(B) the contractor concerned, if any; and

[(C) the Secretary of Energy.

[(k) REMEDIAL ACTION.—(1) Whenever the Secretary determines that a covered individual has been discharged, demoted, or otherwise discriminated against as a reprisal for making a protected disclosure under this section, the Secretary shall—

[(A) in the case of a Department employee, take appropriate actions to abate the action; or

[(B) in the case of a contractor employee, order the contractor concerned to take appropriate actions to abate the action.

[(2)(A) If a contractor fails to comply with an order issued under paragraph (1)(B), the Secretary may file an action for enforcement of the order in the appropriate United States district court.

[(B) In any action brought under subparagraph (A), the court may grant appropriate relief, including injunctive relief and compensatory and exemplary damages.

[(l) RELATIONSHIP TO OTHER LAWS.—The protections provided by this section are independent of, and not subject to any limitations that may be provided in, the Whistleblower Protection Act of 1989 (Public Law 101–512) or any other law that may provide protection for disclosures of information by employees of the Department of Energy or of a contractor of the Department.

[(m) ANNUAL REPORT.—(1) Not later than 30 days after the commencement of each fiscal year, the Director 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 investigations undertaken under subsection (j)(1)(B) during the preceding fiscal year, including a summary of the results of each such investigation.

[(2) A report under paragraph (1) may not identify or otherwise provide any information about an individual submitting a complaint under this section without the consent of the individual.

[(n) IMPLEMENTATION REPORT.—Not later than 60 days after the date of the enactment of this Act, 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 describing the implementation of the program required by this section.]

Subtitle F—Other Matters

* * * * * * *

[SEC. 3172. INTEGRATED FISSILE MATERIALS MANAGEMENT PLAN.

[(a) PLAN.—The Secretary of Energy shall develop a long-term plan for the integrated management of fissile materials by the Department of Energy. The plan shall—

[(1) identify means of coordinating or integrating the responsibilities of the Office of Environmental Management, the Office of Fissile Materials Disposition, the Office of Nuclear Energy, and the Office of Defense Programs for the treatment, storage and disposition of fissile materials, and for the waste streams containing fissile materials, in order to achieve budgetary and other efficiencies in the discharge of those responsibilities; and

[(2) identify any expenditures necessary at the sites that are anticipated to have an enduring mission for plutonium management in order to achieve the integrated management of fissile materials by the Department.

[(b) SUBMITTAL TO CONGRESS.—The Secretary shall submit the plan required by subsection (a) to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives not later than March 31, 2000.

[SEC. 3173. IDENTIFICATION IN BUDGET MATERIALS OF AMOUNTS FOR DECLASSIFICATION ACTIVITIES AND LIMITATION ON EXPENDITURES FOR SUCH ACTIVITIES.

[(a) AMOUNTS FOR DECLASSIFICATION OF RECORDS.—The Secretary of Energy shall include in the budget justification materials submitted to Congress in support of the Department of Energy budget for any fiscal year (as submitted with the budget of the President under section 1105(a) of title 31, United States Code) specific identification, as a budgetary line item, of the amounts required to carry out programmed activities during that fiscal year to declassify records pursuant to Executive Order No. 12958 (50 U.S.C. 435 note), or any successor Executive order, or to comply with any statutory requirement to declassify Government records.

[(b) CERTIFICATION REQUIRED WITH RESPECT TO AUTOMATIC DECLASSIFICATION OF RECORDS.—No records of the Department of Energy that have not as of October 5, 1999, been reviewed for declassification shall be subject to automatic declassification unless the Secretary of Energy certifies to Congress that such declassification would not harm the national security.

[(c) REPORT ON AUTOMATIC DECLASSIFICATION OF DEPARTMENT OF ENERGY RECORDS.—Not later than February 1, 2001, the Sec-

retary of Energy shall submit to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate a report on the efforts of the Department of Energy relating to the declassification of classified records under the control of the Department of Energy. Such report shall include the following:

[(1) An assessment of whether the Department will be able to review all relevant records for declassification before any date established for automatic declassification.

[(2) An estimate of the number of records, if any, that the Department will be unable to review for declassification before any such date and the effect on national security of the automatic declassification of those records.

[(3) An estimate of the length of time by which any such date would need to be extended to avoid the automatic declassification of records that have not yet been reviewed as of such date.]

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TITLE XXXIV—NATIONAL DEFENSE STOCKPILE

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SEC. 3402. DISPOSAL OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) * * *

(b) MANAGEMENT OF DISPOSAL TO ACHIEVE OBJECTIVES FOR RECEIPTS.—The President shall manage the disposal of materials under subsection (a) so as to result in receipts to the United States in amounts equal to—

(1) $10,000,000 during fiscal year 2000;

(2) $100,000,000 during the 5-fiscal year period ending September 30, 2004; [and]

[(3) $300,000,000 during the 10-fiscal year period ending September 30, 2009.]

(3) $310,000,000 before the end of fiscal year 2008; and

(4) $320,000,000 before the end of fiscal year 2009.

* * * * * * *

SECTION 125 OF THE MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2001

[SEC. 125. (a) Not later than 60 days before issuing any solicitation for a contract with the private sector for military family housing the Secretary of the military department concerned shall submit to the congressional defense committees the notice described in subsection (b).

[(b)(1) A notice referred to in subsection (a) is a notice of any guarantee (including the making of mortgage or rental payments) proposed to be made by the Secretary to the private party under the contract involved in the event of—

[(A) the closure or realignment of the installation for which housing is provided under the contract;

[(B) a reduction in force of units stationed at such installation; or

[(C) the extended deployment overseas of units stationed at such installation.

[(2) Each notice under this subsection shall specify the nature of the guarantee involved and assess the extent and likelihood, if any, of the liability of the Federal Government with respect to the guarantee.

[(c) In this section, the term "congressional defense committees" means the following:

[(1) The Committee on Armed Services and the Military Construction Subcommittee, Committee on Appropriations of the Senate.

[(2) The Committee on Armed Services and the Military Construction Subcommittee, Committee on Appropriations of the House of Representatives.]

SECTION 8019 OF THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2001

SEC. 8019. Notwithstanding any other provision of law, during the current fiscal year, the Secretary of Defense may, by executive agreement, establish with host nation governments in NATO member states a separate account into which such residual value amounts negotiated in the return of United States military installations in NATO member states may be deposited, in the currency of the host nation, in lieu of direct monetary transfers to the United States Treasury: *Provided*, That such credits may be utilized only for the construction of facilities to support United States military forces in that host nation, or such real property maintenance and base operating costs that are currently executed through monetary transfers to such host nations: *Provided further*, That the Department of Defense's budget submission for fiscal year 2002 shall identify such sums anticipated in residual value settlements, and identify such construction, real property maintenance or base operating costs that shall be funded by the host nation through such credits: *Provided further*, That all military construction projects to be executed from such accounts must be previously approved in a prior Act [of Congress: *Provided further*, That each such executive agreement with a NATO member host nation shall be reported to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate 30 days prior to the conclusion and endorsement of any such agreement established under this provision] *of Congress*.

FLOYD D. SPENCE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

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DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

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TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

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Subtitle B—Information Technology

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SEC. 814. NAVY-MARINE CORPS INTRANET.

(a) * * *

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(d) APPLICABILITY OF STATUTORY AND REGULATORY REQUIREMENTS.—The acquisition of a Navy-Marine Corps Intranet shall be managed by the Department of the Navy in accordance with the requirements of—

(1) [the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106)] *subtitle III of title 40, United States Code*, including the requirement for utilizing modular contracting in accordance with section 38 of the Office of Federal Procurement Policy Act (41 U.S.C. 434); and

* * * * * * *

SUBTITLE C—OTHER ACQUISITION-RELATED MATTERS

SEC. 821. IMPROVEMENTS IN PROCUREMENTS OF SERVICES.

(a) * * *

[(b) INCENTIVE FOR USE OF PERFORMANCE-BASED SERVICE CONTRACTS.—(1) A Department of Defense performance-based service contract or performance-based task order may be treated as a contract for the procurement of commercial items if—

[(A) the contract or task order is valued at $5,000,000 or less;

[(B) the contract or task order sets forth specifically each task to be performed and, for each task—

[(i) defines the task in measurable, mission-related terms;

[(ii) identifies the specific end products or output to be achieved; and

[(iii) contains a firm fixed price; and

[(C) the source of the services provides similar services contemporaneously to the general public under terms and conditions similar to those offered to the Federal Government.

[(2) The special simplified procedures provided in the Federal Acquisition Regulation pursuant to section 2304(g)(1)(B) of title 10, United States Code, shall not apply to a performance-based service contract or performance-based task order that is treated as a contract for the procurement of commercial items under paragraph (1).

[(3) Not later than 2 years after the date of the enactment of this Act, the Comptroller General shall submit a report on the implementation of this subsection to the congressional defense committees.

[(4) The authority under this subsection shall not apply to contracts entered into or task orders issued more than 3 years after the date of the enactment of this Act.]

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TITLE X—GENERAL PROVISIONS

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Subtitle A—Financial Matters

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SEC. 1006. REQUIREMENT FOR PROMPT PAYMENT OF CONTRACT VOUCHERS.

(a) * * *

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[(c) CONDITIONAL REQUIREMENT FOR REPORT.—(1) If for any month of the noncompliance reporting period the requirement in section 2226 of title 10, United States Code (as added by subsection (a)), is not met, 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 magnitude of the unpaid contract vouchers. The report for a month shall be submitted not later than 30 days after the end of that month.

[(2) A report for a month under paragraph (1) shall include information current as of the last day of the month as follows:

[(A) The number of the vouchers received by the Defense Finance and Accounting Service by means of the mechanization of contract administration services system during each month.

[(B) The number of the vouchers so received, whenever received by the Defense Finance and Accounting Service, that remain unpaid for each of the following periods:

[(i) Over 30 days and not more than 60 days.

[(ii) Over 60 days and not more than 90 days.

[(iii) More than 90 days.

[(C) The number of the vouchers so received that remain unpaid for the major categories of procurements, as defined by the Secretary of Defense.

[(D) The corrective actions that are necessary, and those that are being taken, to ensure compliance with the requirement in subsection (a).

[(3) For purposes of this subsection:

[(A) The term "noncompliance reporting period" means the period beginning on December 1, 2000, and ending on November 30, 2004.

[(B) The term "contract voucher" has the meaning given that term in section 2226(b) of title 10, United States Code (as added by subsection (a)).]

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TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

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SEC. 1308. REPORTS ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) * * *

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(c) MATTERS TO BE INCLUDED.—The report under subsection (a) in a year shall set forth the following:

(1) * * *

* * * * * * *

[(6)] *(7)* To the maximum extent practicable, a description of how revenue generated by activities carried out under Cooperative Threat Reduction programs in recipient States is being utilized, monitored, and accounted for.

[(7)] *(8)* A description of the defense and military activities carried out under Cooperative Threat Reduction programs during the fiscal year ending in the year preceding the year of the report, including—

(A) * * *

* * * * * * *

SECTION 8009 OF THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2002

SEC. 8009. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code[, and these obligations shall be reported to the Congress] as of September 30 of each year: *Provided*, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99–239: *Provided further*, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical serv-

ices at such facilities and transportation to such facilities, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.

SECTION 1121 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

[SEC. 1121. COUNTERINTELLIGENCE POLYGRAPH PROGRAM

[(a) AUTHORITY FOR PROGRAM.—The Secretary of Defense may carry out a program for the administration of counterintelligence polygraph examinations to persons described in subsection (b). The program shall be based on Department of Defense Directive 5210.48, dated December 24, 1984.

[(b) PERSONS COVERED.—Except as provided in subsection (d), the following persons whose duties involve access to information that has been classified at the level of top secret or designated as being within a special access program under section 4.2(a) of Executive Order 12356 (or a successor Executive order) are subject to this section:

[(1) Military and civilian personnel of the Department of Defense.

[(2) Personnel of defense contractors.

[(c) LIMITATION ON NUMBER OF EXAMINATIONS.—The number of counterintelligence polygraph examinations that may be administered under this section may not exceed 5,000 during any fiscal year

[(d) EXCEPTIONS FROM COVERAGE FOR CERTAIN INTELLIGENCE AGENCIES AND FUNCTIONS.—This section does not apply—

[(1) to a person assigned or detailed to the Central Intelligence Agency or to an expert or consultant under a contract with the Central Intelligence Agency;

[(2) to (A) a person employed by or assigned or detailed to the National Security Agency, (B) an expert or consultant under contract to the National Security Agency, (C) an employee of a contractor of the National Security Agency, or (D) a person applying for a position in the National Security Agency;

[(3) to a person assigned to a space where sensitive cryptographic information is produced, processed, or stored; or

[(4) to a person employed by, or assigned or detailed to, an office within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs or a contractor of such an office.

[(e) POLYGRAPH RESEARCH PROGRAM.—The Secretary of Defense shall carry out a continuing research program to support the polygraph activities of the Department of Defense. The program shall include—

[(1) an on-going evaluation of the validity of polygraph techniques used by the Department;

[(2) research on polygraph countermeasures and anti-countermeasures; and

[(3) developmental research on polygraph techniques, instrumentation, and analytic methods.

[(f) ANNUAL REPORT ON POLYGRAPH PROGRAMS.—(1) Not later than January 15 of each year, the Secretary of Defense shall submit to Congress a report on polygraph examinations administered by or for the Department of Defense during the previous fiscal year (whether administered under this section or any other authority).

[(2) Each such report shall include the following with regard to the program authorized by subsection (a):

[(A) A statement of the number of polygraph examinations administered by or for the Department of Defense during such fiscal year.

[(B) A description of the purposes and results of such examinations.

[(C) A description of the criteria used for selecting programs and persons for such examination.

[(D) A statement of the number of persons who refused to submit to such an examination and a description of the actions taken as a result of the refusals.

[(E) A statement of the number of persons for which such an examination indicated deception and the action taken as a result of the examinations.

[(F) A detailed accounting of those cases in which more than two such examinations were needed to attempt to resolve discrepancies and those cases in which the examination of a person extended over more than one day.

[(3) Each such report shall also include the following:

[(A) A description of any plans to expand the use of polygraph examinations in the Department of Defense.

[(B) A discussion of any plans of the Secretary for recruiting and training additional polygraph operators together with statistical data on the employment turnover of Department of Defense polygraph operators.

[(C) A description of the results during the preceding fiscal year of the research program under subsection (e).

[(D) A statement of the number of polygraph examinations administered to persons described in subsection (d) (which number may be set forth in a classified annex to the report).

[(g) REPEAL.—Section 1221 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 726), is repealed.

[(h) EFFECTIVE DATE.—This section shall take effect as of October 1, 1987.]

SECTION 8053 OF THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1998

[SEC. 8053. None of the funds provided in this Act and hereafter shall be available for use by a military department to modify an aircraft, weapon, ship or other item of equipment, that the military department concerned plans to retire or otherwise dispose of within 5 years after completion of the modification: *Provided*, That this prohibition shall not apply to safety modifications: *Provided further*, That this prohibition may be waived by the Secretary of a military department if the Secretary determines it is in the best national security interest of the United States to provide such

waiver and so notifies the congressional defense committees in writing.]

FEDERAL ACQUISITION STREAMLINING ACT OF 1994

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TITLE I—CONTRACT FORMATION

Subtitle A—Competition Statutes

PART I—ARMED SERVICES ACQUISITIONS

Subpart A—Competition Requirements

* * * * * * *

SEC. 1004. TASK AND DELIVERY ORDER CONTRACTS.

(a) * * *

* * * * * * *

(d) PROVISIONS NOT AFFECTED.—Nothing in section 2304a, 2304b, 2304c, or 2304d of title 10, United States Code, as added by subsection (a), and nothing in the amendments made by subsections (b) and (c), shall be construed as modifying or superseding, or as intended to impair or restrict, authorities or responsibilities [under—

[(1) the Brooks Automatic Data Processing Act (section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759)); and

[(2) the Brooks Architect-Engineers Act (title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.)).] *under chapter 11 of title 40, United States Code.*

* * * * * * *

TITLE VIII—COMMERCIAL ITEMS

Subtitle A—Definitions and Regulations

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SEC. 8002. REGULATIONS ON ACQUISITION OF COMMERCIAL ITEMS.

(a) * * *

* * * * * * *

(d) USE OF FIRM, FIXED PRICE CONTRACTS.—The Federal Acquisition Regulation shall include, for acquisitions of commercial items—

(1) a requirement that firm, fixed price contracts or fixed price with economic price adjustment contracts be used to the maximum extent practicable; [and]

(2) a prohibition on use of cost type contracts[.]*; and*

(3) authority for use of a time and materials contract or a labor-hour contract for the procurement of commercial services that are commonly sold to the general public through such contracts.

* * * * * * *

SECTION 1520 OF THE ARMED FORCES RETIREMENT HOME ACT OF 1991

SEC. 1520. DISPOSITION OF EFFECTS OF DECEASED PERSONS; UNCLAIMED PROPERTY

(a) * * *

(b) SALE OF EFFECTS.—(1)(A) * * *

* * * * * * *

(C) If a personal representative or other fiduciary is appointed to administer a deceased resident's estate and the administration is completed before the end of such three-year period, the balance of the entire net proceeds of the estate, less expenses, shall be deposited directly in the *Armed Forces* Retirement Home Trust Fund. The heirs or legatees of the deceased resident may file a claim made with the Secretary of Defense to reclaim such proceeds. A determination of the claim by the Secretary shall be subject to judicial review exclusively by the United States Court of Federal Claims.

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SECTION 30305 OF TITLE 49, UNITED STATES CODE

§ 30305. Access to Register information

(a) * * *

(b) REQUESTS TO OBTAIN INFORMATION.—(1) * * *

* * * * * * *

(9) An individual who is being investigated for—

(A) eligibility for access to a particular level of classified information for purposes of Executive Order 12968, or any successor Executive order; or

(B) Federal employment under authority of Executive Order 10450, or any successor Executive order,

may request the chief driver licensing official of a State to provide information about the individual pursuant to subsection (a) of this section to a Federal department or agency that is authorized to investigate the individual for the purpose of assisting in the determination of the eligibility of the individual for access to classified information or for Federal employment. A Federal department or agency that receives such information about an individual may use it in accordance with applicable law. Information may not be obtained from the Register under this paragraph if the information was entered in the Register more than 3 years before the request, unless the information is about a revocation or suspension still in effect on the date of the request.

[(9)] *(10)* A request under this subsection shall be made in the form and way the Secretary of Transportation prescribes by regulation.

[(10)] *(11)* An individual may request the chief driver licensing official of a State to obtain information about the individual under subsection (a) of this section—

(A) * * *

* * * * * * *

[(11)] *(12)* The head of a Federal department or agency authorized to receive information regarding an individual from the Register under this section may request and receive such information from the Secretary.

* * * * * * *

SECTION 19 OF THE NATIONAL SECURITY AGENCY ACT OF 1959

SEC. 19. (a) EXEMPTION OF CERTAIN OPERATIONAL FILES FROM SEARCH, REVIEW, PUBLICATION, OR DISCLOSURE.—(1) The Director of the National Security Agency, with the coordination of the Director of Central Intelligence, may exempt operational files of the National Security Agency from the provisions of section 552 of title 5, United States Code, which require publication, disclosure, search, or review in connection therewith.

(2)(A) Subject to subparagraph (B), for the purposes of this section, the term "operational files" means files of the National Security Agency that document the means by which foreign intelligence or counterintelligence is collected through technical systems.

(B) Files that contain disseminated intelligence are not operational files.

(3) Notwithstanding paragraph (1), exempted operational files shall continue to be subject to search and review for information concerning—

(A) United States citizens or aliens lawfully admitted for permanent residence who have requested information on themselves pursuant to the provisions of section 552 of title 5 or section 552a of title 5, United States Code;

(B) any special activity the existence of which is not exempt from disclosure under the provisions of section 552 of title 5, United States Code; or

(C) the specific subject matter of an investigation by any of the following for any impropriety, or violation of law, Executive order, or Presidential directive, in the conduct of an intelligence activity:

(i) The Permanent Select Committee on Intelligence of the House of Representatives.

(ii) The Select Committee on Intelligence of the Senate.

(iii) The Intelligence Oversight Board.

(iv) The Department of Justice.

(v) The Office of General Counsel of the National Security Agency.

(vi) The Office of the Director of the National Security Agency.

(4)(A) Files that are not exempted under paragraph (1) which contain information derived or disseminated from exempted operational files shall be subject to search and review.

(B) The inclusion of information from exempted operational files in files that are not exempted under paragraph (1) shall not affect the exemption under paragraph (1) of the originating operational files from search, review, publication, or disclosure.

(C) The declassification of some of the information contained in exempted operational files shall not affect the status of the operational file as being exempt from search, review, publication, or disclosure.

(D) Records from exempted operational files which have been disseminated to and referenced in files that are not exempted under paragraph (1) and which have been returned to exempted operational files for sole retention shall be subject to search and review.

(5) The provisions of paragraph (1) may not be superseded except by a provision of law which is enacted after the date of the enactment of this section, and which specifically cites and repeals or modifies its provisions.

(6)(A) Except as provided in subparagraph (B), whenever any person who has requested agency records under section 552 of title 5, United States Code, alleges that the National Security Agency has withheld records improperly because of failure to comply with any provision of this section, judicial review shall be available under the terms set forth in section 552(a)(4)(B) of title 5, United States Code.

(B) Judicial review shall not be available in the manner provided for under subparagraph (A) as follows:

(i) In any case in which information specifically authorized under criteria established by an Executive order to be kept secret in the interests of national defense or foreign relations which is filed with, or produced for, the court by the National Security Agency, such information shall be examined ex parte, in camera by the court.

(ii) The court shall, to the fullest extent practicable, determine the issues of fact based on sworn written submissions of the parties.

(iii) When a complainant alleges that requested records are improperly withheld because of improper placement solely in exempted operational files, the complainant shall support such allegation with a sworn written submission based upon personal knowledge or otherwise admissible evidence.

(iv)(I) When a complainant alleges that requested records were improperly withheld because of improper exemption of operational files, the National Security Agency shall meet its burden under section 552(a)(4)(B) of title 5, United States Code, by demonstrating to the court by sworn written submission that exempted operational files likely to contain responsive records currently perform the functions set forth in paragraph (2).

(II) The court may not order the National Security Agency to review the content of any exempted operational file or files in order to make the demonstration required under subclause (I), unless the complainant disputes the National Security Agency's showing with a sworn written submission based on personal knowledge or otherwise admissible evidence.

(v) In proceedings under clauses (iii) and (iv), the parties may not obtain discovery pursuant to rules 26 through 36 of the Federal Rules of Civil Procedure, except that requests for admission may be made pursuant to rules 26 and 36.

(vi) If the court finds under this paragraph that the National Security Agency has improperly withheld requested records because of failure to comply with any provision of this subsection, the court shall order the Agency to search and review the appropriate exempted operational file or files for the requested records and make such records, or portions thereof, available in accordance with the provisions of section 552 of title 5, United States Code, and such order shall be the exclusive remedy for failure to comply with this subsection.

(vii) If at any time following the filing of a complaint pursuant to this paragraph the National Security Agency agrees to search the appropriate exempted operational file or files for the requested records, the court shall dismiss the claim based upon such complaint.

(viii) Any information filed with, or produced for the court pursuant to clauses (i) and (iv) shall be coordinated with the Director of Central Intelligence prior to submission to the court.

(b) DECENNIAL REVIEW OF EXEMPTED OPERATIONAL FILES.—(1) Not less than once every 10 years, the Director of the National Security Agency and the Director of Central Intelligence shall review the exemptions in force under subsection (a)(1) to determine whether such exemptions may be removed from the category of exempted files or any portion thereof. The Director of Central Intelligence must approve any determination to remove such exemptions.

(2) The review required by paragraph (1) shall include consideration of the historical value or other public interest in the subject matter of the particular category of files or portions thereof and the potential for declassifying a significant part of the information contained therein.

(3) A complainant that alleges that the National Security Agency has improperly withheld records because of failure to comply with this subsection may seek judicial review in the district court of the United States of the district in which any of the parties reside, or in the District of Columbia. In such a proceeding, the court's review shall be limited to determining the following:

(A) Whether the National Security Agency has conducted the review required by paragraph (1) before the expiration of the 10-year period beginning on the date of the enactment of this section or before the expiration of the 10-year period beginning on the date of the most recent review.

(B) Whether the National Security Agency, in fact, considered the criteria set forth in paragraph (2) in conducting the required review.

SECTION 207 OF TITLE 18, UNITED STATES CODE

§ 207. Restrictions on former officers, employees, and elected officials of the executive and legislative branches

(a) * * *

* * * * * * *

(c) ONE-YEAR RESTRICTIONS ON CERTAIN SENIOR PERSONNEL OF THE EXECUTIVE BRANCH AND INDEPENDENT AGENCIES.—

(1) * * *

(2) PERSONS TO WHOM RESTRICTIONS APPLY.—(A) Paragraph (1) shall apply to a person (other than a person subject to the restrictions of subsection (d))—

(i) * * *

[(ii) employed in a position which is not referred to in clause (i) and for which the basic rate of pay, exclusive of any locality-based pay adjustment under section 5302 of title 5 (or any comparable adjustment pursuant to interim authority of the President), is equal to or greater than the rate of basic pay payable for level 5 of the Senior Executive Service,]

(ii) employed in a position which is not referred to in clause (i) and for which that person is paid at a rate of basic pay which is equal to or greater than 96 percent of the rate of basic pay for level II of the Executive Schedule, or, for a period of 2 years following the enactment of the Federal Employees Pay for Performance Act of 2003, a person who, on the day prior to the enactment of that Act, was employed in a position which is not referred to in clause (i) and for which the rate of basic pay, exclusive of any locality-based pay adjustment under section 5304 or section 5304a of title 5, was equal to or greater than the rate of basic pay payable for level 5 of the Senior Executive Service on the day prior to the enactment of that Act,

* * * * * * *

TITLE 31, UNITED STATES CODE

* * * * * * *

SUBTITLE II—THE BUDGET PROCESS

* * * * * * *

CHAPTER 11—THE BUDGET AND FISCAL, BUDGET, AND PROGRAM INFORMATION

* * * * * * *

§ 1115. Performance plans

(a) In carrying out the provisions of [section 1105(a)(29)] *section 1105(a)(28)*, the Director of the Office of Management and Budget shall require each agency to prepare an annual perform-

ance plan covering each program activity set forth in the budget of such agency. Such plan shall—

(1) * * *

* * * * * * *

SUBTITLE III—FINANCIAL MANAGEMENT

* * * * * * *

CHAPTER 33—DEPOSITING, KEEPING, AND PAYING MONEY

* * * * * * *

SUBCHAPTER III—MISCELLANEOUS

* * * * * * *

§ 3342. Check cashing and exchange transactions

(a) * * *

(b) A disbursing official may act under subsection (a) (1) and (2) of this section [only for—] *only for the following:*

(1) [an] *An* official purpose[;].

(2) [personnel] *Personnel* of the Government[;].

(3) [a] *A* dependent of personnel of the Government, but only—

(A) * * *

(B) in the case of negotiation of negotiable instruments, if the dependent's sponsor authorizes, in writing, the presentation of negotiable instruments to the disbursing official for negotiation[;].

(4) [a] *A* veteran hospitalized or living in an institution operated by an agency[;].

(5) [a] *A* contractor, or personnel of a contractor, carrying out a Government project[;].

(6) [personnel] *Personnel* of an authorized agency not part of the Government that operates with an agency of the Government[; or].

(7) [a] *A* Federal credit union (as defined in section 101(1) of the Federal Credit Union Act (12 U.S.C. [1752(1))] *1752(1)))* that at the request of the Secretary of Defense is operating on a United States military installation in a foreign country, but only if that country does not permit contractor-operated military banking facilities to operate on such installations.

(8) A member of the military forces of an allied or coalition nation who is participating in a joint operation, joint exercise, humanitarian mission, or peacekeeping mission with the Armed Forces of the United States, but—

(A) only if—

(i) such disbursing official action for members of the military forces of that nation is approved by the senior United States military commander assigned to that operation or mission; and

(ii) that nation has guaranteed payment for any deficiency resulting from such disbursing official action; and

(B) in the case of negotiable instruments, only for a negotiable instrument drawn on a financial institution located in the United States or on a foreign branch of such an institution.

* * * * * * *

CHAPTER 35—ACCOUNTING AND COLLECTION

* * * * * * *

SUBCHAPTER V—PROCUREMENT PROTEST SYSTEM

* * * * * * *

§ 3553. Review of protests; effect on contracts pending decision

(a) * * *

* * * * * * *

(d)(1) * * *

* * * * * * *

(4) The period referred to in paragraphs (2) and (3)(A), with respect to a contract, is the period beginning on the date of the contract award and ending on the later of—

(A) the date that is 10 days after the date of the contract award; **[**or**]**

(B) the date that is 5 days after the debriefing date offered to an unsuccessful offeror for any debriefing that is requested and, when requested, is required**[**.**]***; or*

(C) in the case of a protest of the same matter regarding such contract that is submitted under section 2305b of title 10 or section 303N of the Federal Property and Administrative Services Act of 1949, the date that is 5 days after the date on which a decision on that protest is issued.

* * * * * * *

OFFICE OF FEDERAL PROCUREMENT POLICY ACT

* * * * * * *

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) * * *

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

Sec. 1. Short title; table of contents.

* * * * * * *

[Sec. 16. Executive agency responsibilities.**]**

Sec. 16. Chief Acquisition Officers.

Sec. 16A. Chief Acquisition Officers Council.

* * * * * * *

Sec. 40. Protection of constitutional rights of contractors.

Sec. 41. Incentives for efficient performance of services contracts.

* * * * * * *

SEC. 4. DEFINITIONS.

As used in this Act:

(1) * * *

* * * * * * *

(11) The term "simplified acquisition threshold" means $100,000*, except that such amount may be adjusted by the Administrator every five years to the amount equal to $100,000 in constant fiscal year 2003 dollars (rounded to the nearest $10,000)*.

(12) The term "commercial item" means any of the following:

(A) * * *

* * * * * * *

(F) Services offered and sold competitively, in substantial quantities, in the commercial marketplace based on established [catalog or] market prices for specific tasks performed *or specific outcomes to be achieved* and under standard commercial terms and conditions.

* * * * * * *

(I) Items or services produced or provided by a commercial entity.

* * * * * * *

(16) The term "acquisition"—

(A) means the process of acquiring, with appropriated funds, by contract for purchase or lease, property or services (including construction) that support the missions and goals of an executive agency, from the point at which the requirements of the executive agency are established in consultation with the chief acquisition officer of the executive agency; and

(B) includes—

(i) the process of acquiring property or services that are already in existence, or that must be created, developed, demonstrated, and evaluated;

(ii) the description of requirements to satisfy agency needs;

(iii) solicitation and selection of sources;

(iv) award of contracts;

(v) contract performance;

(vi) contract financing:

(vii) management and measurement of contract performance through final delivery and payment; and

(viii) technical and management functions directly related to the process of fulfilling agency requirements by contract.

(17) The term "commercial entity" means any enterprise whose primary customers are other than the Federal Government. In order to qualify as a commercial entity, at least 90 percent (in dollars) of the sales of the enterprise over the past three business years must have been made to private sector entities.

* * * * * * *

[SEC. 16. EXECUTIVE AGENCY RESPONSIBILITIES.

[To further achieve effective, efficient, and economic administration of the Federal procurement system, the head of each executive agency shall, in accordance with applicable laws, Government-wide policies and regulations, and good business practices—

[(1) increase the use of full and open competition in the procurement of property or services by the executive agency by establishing policies, procedures, and practices that assure that the executive agency receives a sufficient number of sealed bids or competitive proposals from responsible sources to fulfill the Government's requirements (including performance and delivery schedules) at the lowest reasonable cost considering the nature of the property or service procured;

[(2) establish clear lines of authority, accountability, and responsibility for procurement decisionmaking within the executive agency, including placing the procurement function at a sufficiently high level in the executive agency to provide—

[(A) direct access to the head of the major organizational element of the executive agency served; and

[(B) comparative equality with organizational counterparts;

[(3) designate a senior procurement executive who shall be responsible for management direction of the procurement system of the executive agency, including implementation of the unique procurement policies, regulations, and standards of the executive agency; and

[(4) develop and maintain a procurement career management program in the executive agency to assure an adequate professional work force.]

SEC. 16. AGENCY CHIEF ACQUISITION OFFICERS.

(a) ESTABLISHMENT OF AGENCY CHIEF ACQUISITION OFFICERS.—The head of each executive agency (other than the Department of Defense) shall appoint or designate a non-career employee as Chief Acquisition Officer for the agency, who shall—

(1) have acquisition management as that official's primary duty; and

(2) advise and assist the head of the executive agency and other agency officials to ensure that the mission of the executive agency is achieved through the management of the agency's acquisition activities.

(b) AUTHORITY AND FUNCTIONS OF AGENCY CHIEF ACQUISITION OFFICERS.—The functions of each Chief Acquisition Officer shall include—

(1) monitoring the performance of acquisition activities and acquisition programs of the executive agency, evaluating the performance of those programs on the basis of applicable performance measurements, and advising the head of the executive agency regarding the appropriate business strategy to achieve the mission of the executive agency;

(2) increasing the use of full and open competition in the acquisition of property and services by the executive agency by establishing policies, procedures, and practices that ensure that the executive agency receives a sufficient number of sealed bids or competitive proposals from responsible sources to fulfill the Government's requirements (including performance and delivery

schedules) at the best value considering the nature of the property or service procured;

(3) making acquisition decisions consistent with all applicable laws and establishing clear lines of authority, accountability, and responsibility for acquisition decisionmaking within the executive agency;

(4) managing the direction of acquisition policy for the executive agency, including implementation of the unique acquisition policies, regulations, and standards of the executive agency;

(5) developing and maintaining an acquisition career management program in the executive agency to ensure that there is an adequate professional workforce; and

(6) as part of the strategic planning and performance evaluation process required under section 306 of title 5, United States Code, and sections 1105(a)(28), 1115, 1116, and 9703 of title 31, United States Code—

(A) assessing the requirements established for agency personnel regarding knowledge and skill in acquisition resources management and the adequacy of such requirements for facilitating the achievement of the performance goals established for acquisition management;

(B) in order to rectify any deficiency in meeting such requirements, developing strategies and specific plans for hiring, training, and professional development; and

(C) reporting to the head of the executive agency on the progress made in improving acquisition management capability.

SEC. 16A. CHIEF ACQUISITION OFFICERS COUNCIL.

(a) ESTABLISHMENT.—There is established in the executive branch a Chief Acquisition Officers Council.

(b) MEMBERSHIP.—The members of the Council shall be as follows:

(1) The Deputy Director for Management of the Office of Management and Budget, who shall act as Chairman of the Council.

(2) The Administrator for Federal Procurement Policy.

(3) The chief acquisition officer of each executive agency.

(4) The Under Secretary of Defense for Acquisition, Technology, and Logistics.

(5) Any other officer or employee of the United States designated by the Chairman.

(c) LEADERSHIP; SUPPORT.—(1) The Administrator for Federal Procurement Policy shall lead the activities of the Council on behalf of the Deputy Director for Management.

(2)(A) The Vice Chairman of the Council shall be selected by the Council from among its members.

(B) The Vice Chairman shall serve a 1-year term, and may serve multiple terms.

(3) The Administrator of General Services shall provide administrative and other support for the Council.

(d) PRINCIPAL FORUM.—The Council is designated the principal interagency forum for monitoring and improving the Federal acquisition system.

(e) FUNCTIONS.—The Council shall perform functions that include the following:

(1) Develop recommendations for the Director of the Office of Management and Budget on Federal acquisition policies and requirements.

(2) Share experiences, ideas, best practices, and innovative approaches related to Federal acquisition.

(3) Assist the Administrator in the identification, development, and coordination of multiagency projects and other innovative initiatives to improve Federal acquisition.

(4) Promote effective business practices that ensure the timely delivery of best value products to the Federal Government and achieve appropriate public policy objectives.

(5) Further integrity, fairness, competition, openness, and efficiency in the Federal acquisition system.

(6) Work with the Office of Personnel Management to assess and address the hiring, training, and professional development needs of the Federal Government related to acquisition.

(7) Work with the Administrator and the Federal Acquisition Regulatory Council to promote the business practices referred to in paragraph (4) and other results of the functions carried out under this subsection.

* * * * * * *

SEC. 20. ADVOCATES FOR COMPETITION.

(a)(1) * * *

(2) The head of each executive agency shall—

(A) designate for the executive agency and for each procuring activity of the executive agency one officer or employee serving in a position authorized for such executive agency on the date of enactment of the Competition in Contracting Act of 1984 (other than the [senior procurement executive] *Chief Acquisition Officer* designated pursuant to section 16(3)) to serve as the advocate for competition;

* * * * * * *

(b) The advocate for competition of an executive agency shall—

(1) * * *

* * * * * * *

(3) identify and report to the [senior procurement executive] *Chief Acquisition Officer* of the executive agency designated pursuant to section 16(3)—

(A) * * *

* * * * * * *

(4) prepare and transmit to such [senior procurement executive] *Chief Acquisition Officer* an annual report describing—

(A) * * *

* * * * * * *

(5) recommend to the [senior procurement executive] *Chief Acquisition Officer* of the executive agency goals and the plans for increasing competition on a fiscal year basis;

(6) recommend to the [senior procurement executive] *Chief Acquisition Officer* of the executive agency a system of personal and organizational accountability for competition, which may include the use of recognition and awards to moti-

vate program managers, contracting officers, and others in authority to promote competition in procurement programs; and

* * * * * * *

SEC. 29. CONTRACT CLAUSES AND CERTIFICATIONS.

(a) * * *

* * * * * * *

(c) PROHIBITION ON CERTIFICATION REQUIREMENTS.—(1) * * *

(2)(A) A requirement for a certification by a contractor or offeror may not be included in a procurement regulation of an executive agency unless—

(i) * * *

(ii) written justification for such certification requirement is provided to the head of the executive agency by the [senior procurement executive] *Chief Acquisition Officer* of the agency, and the head of the executive agency approves in writing the inclusion of such certification requirement.

* * * * * * *

SEC. 37. ACQUISITION WORKFORCE.

(a) * * *

* * * * * * *

(c) [SENIOR PROCUREMENT EXECUTIVE] *CHIEF ACQUISITION OFFICER* AUTHORITIES AND RESPONSIBILITIES.—Subject to the authority, direction, and control of the head of an executive agency, the [senior procurement executive] *Chief Acquisition Officer* of the agency shall carry out all powers, functions, and duties of the head of the agency with respect to implementation of this section. The [senior procurement executive] *Chief Acquisition Officer* shall ensure that the policies of the head of the executive agency established in accordance with this section are implemented throughout the agency.

* * * * * * *

(h) EDUCATION AND TRAINING.—

(1) * * *

* * * * * * *

(3) ACQUISITION WORKFORCE TRAINING FUND.—(A) The Administrator of General Services shall establish an acquisition workforce training fund. The Administrator shall manage the fund through the Federal Acquisition Institute to support the training of the acquisition workforce of the executive agencies other than the Department of Defense. The Administrator shall consult with the Administrator for Federal Procurement Policy in managing the fund.

(B) There shall be credited to the acquisition workforce training fund 5 percent of the fees collected by executive agencies (other than the Department of Defense) under the following contracts:

(i) Governmentwide task and delivery-order contracts entered into under sections 303H and 303I of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h and 253i).

(ii) Governmentwide contracts for the acquisition of information technology as defined in section 11101 of title 40, United States Code, and multiagency acquisition contracts for such technology authorized by section 11314 of such title.

(iii) Multiple-award schedule contracts entered into by the Administrator of General Services.

(C) The head of an executive agency that administers a contract described in subparagraph (B) shall remit to the General Services Administration the amount required to be credited to the fund with respect to such contract at the end of each quarter of the fiscal year.

(D) The Administrator of General Services, through the Office of Federal Acquisition Policy, shall ensure that funds collected for training under this section are not used for any purpose other than the purpose specified in subparagraph (A).

(E) Amounts credited to the fund shall be in addition to funds requested and appropriated for education and training referred to in paragraph (1).

(F) Amounts credited to the fund shall remain available until expended.

* * * * * * *

SEC. [39.] *40.* PROTECTION OF CONSTITUTIONAL RIGHTS OF CONTRACTORS.

(a) * * *

* * * * * * *

SEC. 41. INCENTIVES FOR EFFICIENT PERFORMANCE OF SERVICES CONTRACTS.

(a) OPTIONS FOR SERVICES CONTRACTS.—An option included in a contract for services to extend the contract by one or more periods may provide that it be exercised on the basis of exceptional performance by the contractor. A contract that contains such an option provision shall include performance standards for measuring performance under the contract, and to the maximum extent practicable be performance-based. Such option provision shall only be exercised in accordance with applicable provisions of law or regulation that set forth restrictions on the duration of the contract containing the option.

(b) INCENTIVE FOR USE OF PERFORMANCE-BASED SERVICES CONTRACTS.—(1) A performance-based contract for the procurement of services entered into by an executive agency or a performance-based task order for services issued by an executive agency may be treated as a contract for the procurement of commercial items if—

(A) the contract or task order sets forth specifically each task to be performed and, for each task—

(i) defines the task in measurable, mission-related terms; and

(ii) identifies the specific end products or output to be achieved; and

(B) the source of the services provides similar services to the general public under terms and conditions similar to those offered to the Federal Government.

(2) The regulations implementing this subsection shall require agencies to collect and maintain reliable data sufficient to identify

the contracts or task orders treated as contracts for commercial items using the authority of this subsection. The data may be collected using the Federal Procurement Data System or other reporting mechanism.

(3) Not later than two years after the date of the enactment of this subsection, the Director of the Office of Management and Budget shall prepare and submit to the Committees on Governmental Affairs and on Armed Services of the Senate and the Committees on Government Reform and on Armed Services of the House of Representatives a report on the contracts or task orders treated as contracts for commercial items using the authority of this subsection. The report shall include data on the use of such authority both government-wide and for each department and agency.

(4) The authority under this subsection shall expire 10 years after the date of the enactment of this subsection.

(c) DEFINITION OF PERFORMANCE-BASED.—In this section, the term "performance-based", with respect to a contract, task order, or contracting, means that the contract, task order, or contracting, respectively, includes the use of performance work statements that set forth contract requirements in clear, specific, and objective terms with measurable outcomes.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

TITLE III—PROCUREMENT PROCEDURE

* * * * * * *

SEC. 302C. IMPLEMENTATION OF FACNET CAPABILITY.

(a) * * *

(b) DESIGNATION OF AGENCY OFFICIAL.—The head of each executive agency shall designate a program manager to have responsibility for implementation of FACNET capability for that agency and otherwise to implement this section. Such program manager shall report directly to the [senior procurement executive] *Chief Acquisition Officer* designated for the executive agency under section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

SEC. 303. COMPETITION REQUIREMENTS.

(a) * * *

* * * * * * *

(f)(1) Except as provided in paragraph (2), an executive agency may not award a contract using procedures other than competitive procedures unless—

(A) * * *

(B) the justification is approved—

(i) * * *

* * * * * * *

(iii) in the case of a contract for an amount exceeding $50,000,000, by the [senior procurement executive] *Chief Acquisition Officer* of the agency designated pursuant to

section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)) (without further delegation); and

* * * * * * *

SEC. 303N. PROTESTS.

(a) IN GENERAL.—An interested party may protest an acquisition of supplies or services by an executive agency based on an alleged violation of an acquisition law or regulation, and a decision regarding such alleged violation shall be made by the agency in accordance with this section.

(b) RESTRICTION ON CONTRACT AWARD PENDING DECISION.—(1) Except as provided in paragraph (2), a contract may not be awarded by an agency after a protest concerning the acquisition has been submitted under this section and while the protest is pending.

(2) The head of the acquisition activity responsible for the award of a contract may authorize the award of the contract, notwithstanding a pending protest under this section, upon making a written finding that urgent and compelling circumstances do not allow for waiting for a decision on the protest.

(c) RESTRICTION ON CONTRACT PERFORMANCE PENDING DECISION.—(1) Except as provided in paragraph (2), performance of a contract may not be authorized (and performance of the contract shall cease if performance has already begun) in any case in which a protest of the contract award is submitted under this section before the later of—

(A) the date that is 10 days after the date of contract award; or

(B) the date that is five days after an agency debriefing date offered to an unsuccessful offeror for any debriefing that is requested and, when requested, is required, under section 303B(e) of this title.

(2) The head of the acquisition activity responsible for the award of a contract may authorize performance of the contract notwithstanding a pending protest under this section upon making a written finding that urgent and compelling circumstances do not allow for waiting for a decision on the protest.

(d) DEADLINE FOR DECISION.—The head of an executive agency shall issue a decision on a protest under this section not later than the date that is 20 working days after the date on which the protest is submitted to the executive agency.

(e) CONSTRUCTION.—Nothing in this section shall affect the right of an interested party to file a protest with the Comptroller General under subchapter V of chapter 35 of title 31, United States Code, or in the United States Court of Federal Claims.

(f) DEFINITIONS.—In this section, the terms "protest" and "interested party" have the meanings given such terms in section 3551 of title 31, United States Code.

* * * * * * *

SEC. 317. SHARE-IN-SAVINGS CONTRACTS.

(a) AUTHORITY TO ENTER INTO SHARE-IN-SAVINGS CONTRACTS.—(1) * * *

* * * * * * *

(4) Contracts awarded pursuant to the authority of this section shall include a provision containing a quantifiable baseline that is

to be the basis upon which a savings share ratio is established that governs the amount of payment a contractor is to receive under the contract. Before commencement of performance of such a contract, the [senior procurement executive] *Chief Acquisition Officer* of the agency shall determine in writing that the terms of the provision are quantifiable and will likely yield value to the Government.

* * * * * * *

SEC. 318. AUTHORITY TO ENTER INTO CERTAIN TRANSACTIONS FOR DEFENSE AGAINST OR RECOVERY FROM TERRORISM OR NUCLEAR, BIOLOGICAL, CHEMICAL, OR RADIOLOGICAL ATTACK.

(a) AUTHORITY.—

(1) IN GENERAL.—The head of an executive agency who engages in basic research, applied research, advanced research, and development projects that—

(A) are necessary to the responsibilities of such official's executive agency in the field of research and development, and

(B) have the potential to facilitate defense against or recovery from terrorism or nuclear, biological, chemical, or radiological attack,

may exercise the same authority (subject to the same restrictions and conditions) with respect to such research and projects as the Secretary of Defense may exercise under section 2371 of title 10, United States Code, except for subsections (b) and (f) of such section 2371.

(2) PROTOTYPE PROJECTS.—The head of an executive agency may, under the authority of paragraph (1), carry out prototype projects that meet the requirements of subparagraphs (A) and (B) of paragraph (1) in accordance with the requirements and conditions provided for carrying out prototype projects under section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note). In applying the requirements and conditions of that section 845—

(A) subsection (c) of that section shall apply with respect to prototype projects carried out under this paragraph; and

(B) the Director of the Office of Management and Budget shall perform the functions of the Secretary of Defense under subsection (d) of that section.

(3) APPLICABILITY TO SELECTED EXECUTIVE AGENCIES.—

(A) OMB AUTHORIZATION REQUIRED.—The head of an executive agency may exercise authority under this subsection only if authorized by the Director of the Office of Management and Budget to do so.

(B) RELATIONSHIP TO AUTHORITY OF DEPARTMENT OF HOMELAND SECURITY.—The authority under this subsection shall not apply to the Secretary of Homeland Security while section 831 of the Homeland Security Act of 2002 (Public Law 107-296; 116 Stat. 2224) is in effect.

(b) ANNUAL REPORT.—The annual report of the head of an executive agency that is required under subsection (h) of section 2371 of title 10, United States Code, as applied to the head of the executive agency by subsection (a), shall be submitted to the Committee on

Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives.

(c) REGULATIONS.—The Director of the Office of Management and Budget shall prescribe regulations to carry out this section.

SECTION 403 OF THE FEDERAL FINANCIAL MANAGEMENT ACT OF 1994

SEC. 403. FRANCHISE FUND PILOT PROGRAMS.

(a) * * *

* * * * * * *

(f) TERMINATION.—The provisions of this section shall expire on [October 1, 2003] *October 1, 2006.*

TITLE 40, UNITED STATES CODE

* * * * * * *

SUBTITLE III—INFORMATION TECHNOLOGY MANAGEMENT

CHAPTER		Sec.
111.	GENERAL	11101
*	*	*
[115.	INFORMATION TECHNOLOGY ACQUISITION PILOT PROGRAM	11501]
*	*	*

[CHAPTER 115—INFORMATION TECHNOLOGY ACQUISITION PILOT PROGRAM

[SUBCHAPTER I—CONDUCT OF PILOT PROGRAM

[Sec.
[11501. Authority to conduct pilot program.
[11502. Evaluation criteria and plans.
[11503. Report.
[11504. Recommended legislation.
[11505. Rule of construction.

[SUBCHAPTER II—SPECIFIC PILOT PROGRAM

[SUBCHAPTER I—CONDUCT OF PILOT PROGRAM

[§ 11501. Authority to conduct pilot program

[(a) IN GENERAL.—

[(1) PURPOSE.—In consultation with the Administrator for the Office of Information and Regulatory Affairs, the Administrator for Federal Procurement Policy may conduct a pilot program pursuant to the requirements of section 11521 of this title to test alternative approaches for the acquisition of information technology by executive agencies.

[(2) MULTIAGENCY, MULTI-ACTIVITY CONDUCT OF EACH PROGRAM.—Except as otherwise provided in this chapter, the pilot program conducted under this chapter shall be carried out in not more than two procuring activities in each of the executive agencies that are designated by the Administrator for Federal

Procurement Policy in accordance with this chapter to carry out the pilot program. With the approval of the Administrator for Federal Procurement Policy, the head of each designated executive agency shall select the procuring activities of the executive agency that are to participate in the test and shall designate a procurement testing official who shall be responsible for the conduct and evaluation of the pilot program within the executive agency.

[(b) LIMITATION ON AMOUNT.—The total amount obligated for contracts entered into under the pilot program conducted under this chapter may not exceed $750,000,000. The Administrator for Federal Procurement Policy shall monitor those contracts and ensure that contracts are not entered into in violation of this subsection.

[(c) PERIOD OF PROGRAMS.—

[(1) IN GENERAL.—Subject to paragraph (2), the pilot program may be carried out under this chapter for the period, not in excess of five years, the Administrator for Federal Procurement Policy determines is sufficient to establish reliable results.

[(2) CONTINUING VALIDITY OF CONTRACTS.—A contract entered into under the pilot program before the expiration of that program remains in effect according to the terms of the contract after the expiration of the program.

[§ 11502. Evaluation criteria and plans

[(a) MEASURABLE TEST CRITERIA.—To the maximum extent practicable, the head of each executive agency conducting the pilot program under section 11501 of this title shall establish measurable criteria for evaluating the effects of the procedures or techniques to be tested under the program.

[(b) TEST PLAN.—Before the pilot program may be conducted under section 11501 of this title, the Administrator for Federal Procurement Policy shall submit to Congress a detailed test plan for the program, including a detailed description of the procedures to be used and a list of regulations that are to be waived.

[§ 11503. Report

[(a) REQUIREMENT.—Not later than 180 days after the completion of the pilot program under this chapter, the Administrator for Federal Procurement Policy shall—

[(1) submit to the Director of the Office of Management and Budget a report on the results and findings under the program; and

[(2) provide a copy of the report to Congress.

[(b) CONTENT.—The report shall include—

[(1) a detailed description of the results of the program, as measured by the criteria established for the program; and

[(2) a discussion of legislation that the Administrator recommends, or changes in regulations that the Administrator considers necessary, to improve overall information resources management in the Federal Government.

[§ 11504. Recommended legislation

[If the Director of the Office of Management and Budget determines that the results and findings under the pilot program under this chapter indicate that legislation is necessary or desirable to improve the process for acquisition of information technology, the Director shall transmit the Director's recommendations for that legislation to Congress.

[§ 11505. Rule of construction

[This chapter does not authorize the appropriation or obligation of amounts for the pilot program authorized under this chapter.

[SUBCHAPTER II—SPECIFIC PILOT PROGRAM]

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CHAPTER 35 OF TITLE 44, UNITED STATES CODE

CHAPTER 35—COORDINATION OF FEDERAL INFORMATION POLICY

SUBCHAPTER I—FEDERAL INFORMATION POLICY

Sec.
3501. Purposes.

* * * * * * *

SUBCHAPTER II—INFORMATION SECURITY

[Sec.
[3531. Purposes.
[3532. Definitions.
[3533. Authority and functions of the Director.
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[3538. Effect on existing law.

[SUBCHAPTER III—INFORMATION SECURITY]

Sec.
3541. Purposes.

* * * * * * *

[SUBCHAPTER II—INFORMATION SECURITY

[§ 3531. Purposes

[The purposes of this subchapter are to—

[(1) provide a comprehensive framework for ensuring the effectiveness of information security controls over information resources that support Federal operations and assets;

[(2) recognize the highly networked nature of the current Federal computing environment and provide effective governmentwide management and oversight of the related information security risks, including coordination of information security efforts throughout the civilian, national security, and law enforcement communities;

[(3) provide for development and maintenance of minimum controls required to protect Federal information and information systems;

[(4) provide a mechanism for improved oversight of Federal agency information security programs;

[(5) acknowledge that commercially developed information security products offer advanced, dynamic, robust, and effective information security solutions, reflecting market solutions for the protection of critical information infrastructures important to the national defense and economic security of the nation that are designed, built, and operated by the private sector; and

[(6) recognize that the selection of specific technical hardware and software information security solutions should be left to individual agencies from among commercially developed products.

[§ 3532. Definitions

[(a) IN GENERAL.—Except as provided under subsection (b), the definitions under section 3502 shall apply to this subchapter.

[(b) ADDITIONAL DEFINITIONS.—As used in this subchapter—

[(1) the term "information security" means protecting information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide—

[(A) integrity, which means guarding against improper information modification or destruction, and includes ensuring information nonrepudiation and authenticity;

[(B) confidentiality, which means preserving authorized restrictions on access and disclosure, including means for protecting personal privacy and proprietary information;

[(C) availability, which means ensuring timely and reliable access to and use of information; and

[(D) authentication, which means utilizing digital credentials to assure the identity of users and validate their access;

[(2) the term "national security system" means any information system (including any telecommunications system) used or operated by an agency or by a contractor of an agency, or other organization on behalf of an agency, the function, operation, or use of which—

[(A) involves intelligence activities;

[(B) involves cryptologic activities related to national security;

[(C) involves command and control of military forces;

[(D) involves equipment that is an integral part of a weapon or weapons system; or

[(E) is critical to the direct fulfillment of military or intelligence missions provided that this definition does not apply to a system that is used for routine administrative and business applications (including payroll, finance, logistics, and personnel management applications);

[(3) the term "information technology" has the meaning given that term in section 11101 of title 40; and

[(4) the term "information system" means any equipment or interconnected system or subsystems of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information, and includes—

[(A) computers and computer networks;

[(B) ancillary equipment;

[(C) software, firmware, and related procedures;

[(D) services, including support services; and

[(E) related resources.

[§ 3533. Authority and functions of the Director

[(a) The Director shall oversee agency information security policies and practices, by—

[(1) promulgating information security standards under section 11331 of title 40;

[(2) overseeing the implementation of policies, principles, standards, and guidelines on information security;

[(3) requiring agencies, consistent with the standards promulgated under such section 11331 and the requirements of this subchapter, to identify and provide information security protections commensurate with the risk and magnitude of the harm resulting from the unauthorized access, use, disclosure, disruption, modification, or destruction of—

[(A) information collected or maintained by or on behalf of an agency; or

[(B) information systems used or operated by an agency or by a contractor of an agency or other organization on behalf of an agency;

[(4) coordinating the development of standards and guidelines under section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3) with agencies and offices operating or exercising control of national security systems (including the National Security Agency) to assure, to the maximum extent feasible, that such standards and guidelines are complementary with standards and guidelines developed for national security systems;

[(5) overseeing agency compliance with the requirements of this subchapter, including through any authorized action under section 11303(b)(5) of title 40, to enforce accountability for compliance with such requirements;

[(6) reviewing at least annually, and approving or disapproving, agency information security programs required under section 3534(b);

[(7) coordinating information security policies and procedures with related information resources management policies and procedures; and

[(8) reporting to Congress no later than March 1 of each year on agency compliance with the requirements of this subchapter, including—

[(A) a summary of the findings of evaluations required by section 3535;

[(B) significant deficiencies in agency information security practices;

[(C) planned remedial action to address such deficiencies; and

[(D) a summary of, and the views of the Director on, the report prepared by the National Institute of Standards and Technology under section 20(d)(9) of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3).

[(b) Except for the authorities described in paragraphs (4) and (7) of subsection (a), the authorities of the Director under this section shall not apply to national security systems.

[§ 3534. Federal agency responsibilities

[(a) The head of each agency shall—

[(1) be responsible for—

[(A) providing information security protections commensurate with the risk and magnitude of the harm resulting from unauthorized access, use, disclosure, disruption, modification, or destruction of—

[(i) information collected or maintained by or on behalf of the agency; and

[(ii) information systems used or operated by an agency or by a contractor of an agency or other organization on behalf of an agency;

[(B) complying with the requirements of this subchapter and related policies, procedures, standards, and guidelines, including—

[(i) information security standards promulgated by the Director under section 11331 of title 40; and

[(ii) information security standards and guidelines for national security systems issued in accordance with law and as directed by the President; and

[(C) ensuring that information security management processes are integrated with agency strategic and operational planning processes;

[(2) ensure that senior agency officials provide information security for the information and information systems that support the operations and assets under their control, including through—

[(A) assessing the risk and magnitude of the harm that could result from the unauthorized access, use, disclosure, disruption, modification, or destruction of such information or information systems;

[(B) determining the levels of information security appropriate to protect such information and information systems in accordance with standards promulgated under section 11331 of title 40 for information security classifications and related requirements;

[(C) implementing policies and procedures to cost-effectively reduce risks to an acceptable level; and

[(D) periodically testing and evaluating information security controls and techniques to ensure that they are effectively implemented;

[(3) delegate to the agency Chief Information Officer established under section 3506 (or comparable official in an agency not covered by such section) the authority to ensure compliance with the requirements imposed on the agency under this subchapter, including—

[(A) designating a senior agency information security officer who shall—

[(i) carry out the Chief Information Officer's responsibilities under this section;

[(ii) possess professional qualifications, including training and experience, required to administer the functions described under this section;

[(iii) have information security duties as that official's primary duty; and

[(iv) head an office with the mission and resources to assist in ensuring agency compliance with this section;

[(B) developing and maintaining an agencywide information security program as required by subsection (b);

[(C) developing and maintaining information security policies, procedures, and control techniques to address all applicable requirements, including those issued under section 3533 of this title, and section 11331 of title 40;

[(D) training and overseeing personnel with significant responsibilities for information security with respect to such responsibilities; and

[(E) assisting senior agency officials concerning their responsibilities under paragraph (2);

[(4) ensure that the agency has trained personnel sufficient to assist the agency in complying with the requirements of this subchapter and related policies, procedures, standards, and guidelines; and

[(5) ensure that the agency Chief Information Officer, in coordination with other senior agency officials, reports annually to the agency head on the effectiveness of the agency information security program, including progress of remedial actions.

[(b) Each agency shall develop, document, and implement an agencywide information security program, approved by the Director under section 3533(a)(5), to provide information security for the information and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source, that includes—

[(1) periodic assessments of the risk and magnitude of the harm that could result from the unauthorized access, use, disclosure, disruption, modification, or destruction of information and information systems that support the operations and assets of the agency;

[(2) policies and procedures that—

[(A) are based on the risk assessments required by paragraph (1);

[(B) cost-effectively reduce information security risks to an acceptable level;

[(C) ensure that information security is addressed throughout the life cycle of each agency information system; and

[(D) ensure compliance with—

[(i) the requirements of this subchapter;

[(ii) policies and procedures as may be prescribed by the Director, and information security standards promulgated under section 11331 of title 40;

[(iii) minimally acceptable system configuration requirements, as determined by the agency; and

[(iv) any other applicable requirements, including standards and guidelines for national security systems issued in accordance with law and as directed by the President;

[(3) subordinate plans for providing adequate information security for networks, facilities, and systems or groups of information systems, as appropriate;

[(4) security awareness training to inform personnel, including contractors and other users of information systems that support the operations and assets of the agency, of—

[(A) information security risks associated with their activities; and

[(B) their responsibilities in complying with agency policies and procedures designed to reduce these risks;

[(5) periodic testing and evaluation of the effectiveness of information security policies, procedures, and practices, to be performed with a frequency depending on risk, but no less than annually, of which such testing—

[(A) shall include testing of management, operational, and technical controls of every information system identified in the inventory required under section 3505(c); and

[(B) may include testing relied on in a evaluation under section 3535;

[(6) a process for planning, implementing, evaluating, and documenting remedial action to address any deficiencies in the information security policies, procedures, and practices of the agency;

[(7) procedures for detecting, reporting, and responding to security incidents, including—

[(A) mitigating risks associated with such incidents before substantial damage is done; and

[(B) notifying and consulting with, as appropriate—

[(i) law enforcement agencies and relevant Offices of Inspector General;

[(ii) an office designated by the President for any incident involving a national security system; and

[(iii) any other agency or office, in accordance with law or as directed by the President; and

[(8) plans and procedures to ensure continuity of operations for information systems that support the operations and assets of the agency.

[(c) Each agency shall—

[(1) report annually to the Director, the Committees on Government Reform and Science of the House of Representatives, the Committees on Governmental Affairs and Commerce,

Science, and Transportation of the Senate, the appropriate authorization and appropriations committees of Congress, and the Comptroller General on the adequacy and effectiveness of information security policies, procedures, and practices, and compliance with the requirements of this subchapter, including compliance with each requirement of subsection (b);

[(2) address the adequacy and effectiveness of information security policies, procedures, and practices in plans and reports relating to—

[(A) annual agency budgets;

[(B) information resources management under subchapter 1 of this chapter;

[(C) information technology management under subtitle III of title 40;

[(D) program performance under sections 1105 and 1115 through 1119 of title 31, and sections 2801 and 2805 of title 39;

[(E) financial management under chapter 9 of title 31, and the Chief Financial Officers Act of 1990 (31 U.S.C. 501 note; Public Law 101–576) (and the amendments made by that Act);

[(F) financial management systems under the Federal Financial Management Improvement Act (31 U.S.C. 3512 note); and

[(G) internal accounting and administrative controls under section 3512 of title 31, United States Code, (known as the "Federal Managers Financial Integrity Act"); and

[(3) report any significant deficiency in a policy, procedure, or practice identified under paragraph (1) or (2)—

[(A) as a material weakness in reporting under section 3512 of title 31; and

[(B) if relating to financial management systems, as an instance of a lack of substantial compliance under the Federal Financial Management Improvement Act (31 U.S.C. 3512 note).

[(d)(1) In addition to the requirements of subsection (c), each agency, in consultation with the Director, shall include as part of the performance plan required under section 1115 of title 31 a description of—

[(A) the time periods; and

[(B) the resources, including budget, staffing, and training, that are necessary to implement the program required under subsection (b).

[(2) The description under paragraph (1) shall be based on the risk assessments required under subsection (b)(2)(1).

[(e) Each agency shall provide the public with timely notice and opportunities for comment on proposed information security policies and procedures to the extent that such policies and procedures affect communication with the public.

[§ 3535. Annual independent evaluation

[(a)(1) Each year each agency shall have performed an independent evaluation of the information security program and practices of that agency to determine the effectiveness of such program and practices.

[(2) Each evaluation by an agency under this section shall include—

[(A) testing of the effectiveness of information security policies, procedures, and practices of a representative subset of the agency's information systems;

[(B) an assessment (made on the basis of the results of the testing) of compliance with—

[(i) the requirements of this subchapter; and

[(ii) related information security policies, procedures, standards, and guidelines; and

[(C) separate presentations, as appropriate, regarding information security relating to national security systems.

[(b) Subject to subsection (c)—

[(1) for each agency with an Inspector General appointed under the Inspector General Act of 1978, the annual evaluation required by this section shall be performed by the Inspector General or by an independent external auditor, as determined by the Inspector General of the agency; and

[(2) for each agency to which paragraph (1) does not apply, the head of the agency shall engage an independent external auditor to perform the evaluation.

[(c) For each agency operating or exercising control of a national security system, that portion of the evaluation required by this section directly relating to a national security system shall be performed—

[(1) only by an entity designated by the agency head; and

[(2) in such a manner as to ensure appropriate protection for information associated with any information security vulnerability in such system commensurate with the risk and in accordance with all applicable laws.

[(d) The evaluation required by this section—

[(1) shall be performed in accordance with generally accepted government auditing standards; and

[(2) may be based in whole or in part on an audit, evaluation, or report relating to programs or practices of the applicable agency.

[(e) Each year, not later than such date established by the Director, the head of each agency shall submit to the Director the results of the evaluation required under this section.

[(f) Agencies and evaluators shall take appropriate steps to ensure the protection of information which, if disclosed, may adversely affect information security. Such protections shall be commensurate with the risk and comply with all applicable laws and regulations.

[(g)(1) The Director shall summarize the results of the evaluations conducted under this section in the report to Congress required under section 3533(a)(8).

[(2) The Director's report to Congress under this subsection shall summarize information regarding information security relating to national security systems in such a manner as to ensure appropriate protection for information associated with any information security vulnerability in such system commensurate with the risk and in accordance with all applicable laws.

[(3) Evaluations and any other descriptions of information systems under the authority and control of the Director of Central In-

telligence or of National Foreign Intelligence Programs systems under the authority and control of the Secretary of Defense shall be made available to Congress only through the appropriate oversight committees of Congress, in accordance with applicable laws.

[(h) The Comptroller General shall periodically evaluate and report to Congress on—

[(1) the adequacy and effectiveness of agency information security policies and practices; and

[(2) implementation of the requirements of this subchapter.

[§ 3536. Expiration

[This subchapter shall not be in effect after May 31, 2003.

[§ 3537. Authorization of appropriations

[There are authorized to be appropriated to carry out the provisions of this subchapter such sums as may be necessary for each of fiscal years 2003 through 2007.

[§ 3538. Effect on existing law

[Nothing in this subchapter, section 11331 of title 40, or section 20 of the National Standards and Technology Act (15 U.S.C. 278g–3) may be construed as affecting the authority of the President, the Office of Management and Budget or the Director thereof, the National Institute of Standards and Technology, or the head of any agency, with respect to the authorized use or disclosure of information, including with regard to the protection of personal privacy under section 552a of title 5, the disclosure of information under section 552 of title 5, the management and disposition of records under chapters 29, 31, or 33 of title 44, the management of information resources under subchapter I of chapter 35 of this title, or the disclosure of information to Congress or the Comptroller General of the United States.]

SUBCHAPTER [III] *II*—INFORMATION SECURITY

* * * * * * *

§ 3549. Effect on existing law

Nothing in this subchapter, section 11331 of title 40, or section 20 of the National Standards and Technology Act (15 U.S.C. 278g–3) may be construed as affecting the authority of the President, the Office of Management and Budget or the Director thereof, the National Institute of Standards and Technology, or the head of any agency, with respect to the authorized use or disclosure of information, including with regard to the protection of personal privacy under section 552a of title 5, the disclosure of information under section 552 of title 5, the management and disposition of records under chapters 29, 31, or 33 of title 44, the management of information resources under subchapter I of chapter 35 of this title, or the disclosure of information to the Congress or the Comptroller General of the United States. [While this subchapter is in effect, subchapter II of this chapter shall not apply.]

MILITARY CONSTRUCTION AUTHORIZATION ACT FOR FISCAL YEAR 2002

* * * * * * *

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Anniston Army Depot	$5,150,000
* *	* * *	* *
Alaska	Fort Richardson	[$115,000,000] *$117,000,000*
* *	* * *	* *
Washington	Fort Lewis	$238,200,000
	Total:	[$1,358,750,000] *$1,364,750,000*

* * * * * * *

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) * * *

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) * * *

(2) [$52,000,000] *$54,000,000* (the balance of the amount authorized under section 2201(a) for construction of a barracks complex, D Street, at Fort Richardson, Alaska);

* * * * * * *

ACT OF JULY 22, 1970

(Public Law 91–347)

AN ACT To provide for the conveyance of certain real property of the Federal Government to the Board of Public Instruction, Okaloosa County, Florida.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to section 3 of this Act, the Secretary of the Air Force shall donate, grant, and convey to the Board of Public Instruction for the County of Okaloosa, Florida, all right, title, and interest of the United States in and to the real property described in section 2 of this Act for use as permanent sites for Okaloosa County public schools *or for other public purposes*.

* * * * * * *

SEC. 3. The conveyance provided for by the first section of this Act shall be subject to the following conditions:

(1) The real property so conveyed shall be used as permanent sites for Okaloosa County public schools *or for other public purposes*, and if such property is not used for [such purpose] *such a purpose*, all right, title, and interest in and to such real property shall revert to the United States, which shall have the right of immediate entry thereon.

* * * * * * *

SECTION 148 OF THE ATOMIC ENERGY ACT OF 1954

SEC. 148. PROHIBITION AGAINST THE DISSEMINATION OF CERTAIN UNCLASSIFIED INFORMATION.—

a. (1) In addition to any other authority or requirement regarding protection from dissemination of information, and subject to section 552(b)(3) of title 5, United States Code, the Secretary of Energy (hereinafter in this section referred to as the "Secretary")**[**, with respect to atomic energy defense programs,**]** shall prescribe such regulations, after notice and opportunity for public comment thereon, or issue such orders as may be necessary to prohibit the unauthorized dissemination of unclassified information pertaining to—

(A) the design of **[**production facilities or utilization facilities**]** *production facilities, utilization facilities, nuclear waste storage facilities, or uranium enrichment facilities, or any other facilities at which activities relating to nuclear weapons or nuclear materials are carried out, that are under the control or jurisdiction of the Secretary of Energy*;

(B) security measures (including security plans, procedures, and equipment) for the physical protection of (i) **[**production or utilization facilities**]** *such facilities*, (ii) nuclear material contained in such facilities, or (iii) nuclear material in transit; or

* * * * * * *

SECTION 9 OF THE SHIPPING ACT, 1916

SEC. 9.

(b) * * *

* * * * * * *

(e) Notwithstanding subsection (c)(2), the Merchant Marine Act, 1936, or any contract entered into with the Secretary of Transportation under that Act, a vessel may be placed under a foreign registry, without approval of the Secretary, if—

(1)(A) the Secretary, with the concurrence of the Secretary of Defense, determines that at least one replacement vessel of like capability and of a capacity that is equivalent or greater, as measured by deadweight tons, gross tons, or container equivalent units, as appropriate, is documented under chapter 121 of title 46, United States Code, by the owner of the vessel placed under the foreign registry; and

(B) the replacement vessel is not more than 10 years of age on the date of that documentation; and

(2) an operating agreement covering the vessel under the Maritime Security Act of 2003 has expired.

MERCHANT MARINE ACT, 1936

* * * * * * *

TITLE VI—VESSEL OPERATING ASSISTANCE PROGRAMS

* * * * * * *

[Subtitle B—Maritime Security Fleet Program

[ESTABLISHMENT OF FLEET

[SEC. 651. (a) IN GENERAL.—The Secretary of Transportation shall establish a fleet of active, militarily useful, privately-owned vessels to meet national defense and other security requirements and maintain a United States presence in international commercial shipping. The Fleet shall consist of privately owned, United States-flag vessels for which there are in effect operating agreements under this subtitle, and shall be known as the Maritime Security Fleet.

[(b) VESSEL ELIGIBILITY.—A vessel is eligible to be included in the Fleet if the vessel is self-propelled and—

[(1)(A) is operated by a person as an ocean common carrier;

[(B) whether in commercial service, on charter to the Department of Defense, or in other employment, is either—

[(i) a roll-on/roll-off vessel with a carrying capacity of at least 80,000 square feet or 500 twenty-foot equivalent units; or

[(ii) a lighter aboard ship vessel with a barge capacity of at least 75 barges; or

[(C) any other type of vessel that is determined by the Secretary to be suitable for use by the United States for national defense or military purposes in time of war or national emergency;

[(2)(A)(i) is a United States-documented vessel; and

[(ii) on the date an operating agreement covering the vessel is entered into under this subtitle, is—

[(I) a LASH vessel that is 25 years of age or less; or

[(II) any other type of vessel that is 15 years of age or less;

except that the Secretary of Transportation may waive the application of clause (ii) if the Secretary, in consultation with the Secretary of Defense, determines that the waiver is in the national interest; or

[(B) it is not a United States-documented vessel, but the owner of the vessel has demonstrated an intent to have the vessel documented under chapter 121 of title 46, United States Code, if it is included in the Fleet, and the vessel will be less than 10 years of age on the date of that documentation;

[(3) the Secretary of Transportation determines that the vessel is necessary to maintain a United States presence in international commercial shipping or, after consultation with the Secretary of Defense, determines that the vessel is militarily useful for meeting the sealift needs of the United States with respect to national emergencies; and

[(4) at the time an operating agreement for the vessel is entered into under this subtitle, the vessel will be eligible for documentation under chapter 121 of title 46, United States Code.

[OPERATING AGREEMENTS

[SEC. 652. (a) IN GENERAL.—The Secretary of Transportation shall require, as a condition of including any vessel in the Fleet,

that the owner or operator of the vessel enter into an operating agreement with the Secretary under this section. Notwithstanding subsection (g), the Secretary may enter into an operating agreement for, among other vessels that are eligible to be included in the Fleet, any vessel which continues to operate under an operating-differential subsidy contract under subtitle A or which is under charter to the Department of Defense.

[(b) REQUIREMENTS FOR OPERATION.—An operating agreement under this section shall require that, during the period a vessel is operating under the agreement—

[(1) the vessel—

[(A) shall be operated exclusively in the foreign trade or in mixed foreign and domestic trade allowed under a registry endorsement issued under section 12105 of title 46, United States Code, and

[(B) shall not otherwise be operated in the coastwise trade; and

[(2) the vessel shall be documented under chapter 121 of title 46, United States Code.

[(c) REGULATORY RELIEF.—A contractor of a vessel included in an operating agreement under this subtitle may operate the vessel in the foreign commerce of the United States without restriction, and shall not be subject to any requirement under section 801, 808, 809, or 810. Participation in the program established by this subtitle shall not subject a contractor to section 805 or to any provision of subtitle A. The restrictions of section 901(b)(1) of this Act concerning the building, rebuilding, or documentation of a vessel in a foreign country shall not apply to a vessel for any day the operator of that vessel is receiving payments under an operating agreement under this subtitle.

[(d) EFFECTIVENESS AND ANNUAL PAYMENT REQUIREMENTS OF OPERATING AGREEMENTS.—

[(1) EFFECTIVENESS.—The Secretary of Transportation may enter into an operating agreement under this subtitle for fiscal year 1996. The agreement shall be effective only for 1 fiscal year, but shall be renewable, subject to the availability of appropriations, for each subsequent fiscal year through the end of fiscal year 2005.

[(2) ANNUAL PAYMENT.—An operating agreement under this subtitle shall require, subject to the availability of appropriations and the other provisions of this section, that the Secretary of Transportation pay each fiscal year to the contractor, for each vessel that is covered by the operating agreement, an amount equal to $2,300,000 for fiscal year 1996 and $2,100,000 for each fiscal year thereafter in which the agreement is in effect. The amount shall be paid in equal monthly installments at the end of each month. The amount shall not be reduced except as provided by this section.

[(e) CERTIFICATION REQUIRED FOR PAYMENT.—As a condition of receiving payment under this section for a fiscal year for a vessel, the contractor for the vessel shall certify, in accordance with regulations issued by the Secretary of Transportation, that the vessel has been and will be operated in accordance with subsection (b)(1) for at least 320 days in the fiscal year. Days during which the ves-

sel is drydocked, surveyed, inspected, or repaired shall be considered days of operation for purposes of this subsection.

[(f) OPERATING AGREEMENT IS OBLIGATION OF UNITED STATES GOVERNMENT.—An operating agreement under this subtitle constitutes a contractual obligation of the United States Government to pay the amounts provided for in the agreement to the extent of actual appropriations.

[(g) LIMITATIONS.—The Secretary of Transportation shall not make any payment under this subtitle for a vessel with respect to any days for which the vessel is—

[(1) subject to an operating-differential subsidy contract under subtitle A or under a charter to the United States Government, other than a charter pursuant to section 653;

[(2) not operated or maintained in accordance with an operating agreement under this subtitle; or

[(3) more than 25 years of age, except that the Secretary may make such payments for a LASH vessel for any day for which the vessel is more than 25 years of age if that vessel—

[(A) is modernized after January 1, 1994,

[(B) is modernized before it is 25 years of age, and

[(C) is not more than 30 years of age.

[(h) PAYMENTS.—With respect to payments under this subtitle for a vessel covered by an operating agreement, the Secretary of Transportation—

[(1) except as provided in paragraph (2), shall not reduce any payment for the operation of a vessel to carry military or other preference cargoes under section 2631 of title 10, United States Code, the Act of March 26, 1934 (46 App. U.S.C. 1241–1), section 901(a), 901(b), or 901b of this Act, or any other cargo preference law of the United States;

[(2) shall not make any payment for any day that a vessel is engaged in transporting more than 7,500 tons of civilian bulk preference cargoes pursuant to section 901(a), 901(b), or 901b that is bulk cargo; and

[(3) shall make a pro rata reduction in payment for each day less than 320 in a fiscal year that a vessel covered by an operating agreement is not operated in accordance with subsection (b)(1), with days during which the vessel is drydocked or undergoing survey, inspection, or repair considered to be days on which the vessel is operated.

[(i) PRIORITY FOR AWARDING AGREEMENTS.—Subject to the availability of appropriations, the Secretary shall enter into operating agreements according to the following priority:

[(1) VESSELS OWNED BY CITIZENS.—

[(A) PRIORITY.—First, for any vessel that is—

[(i) owned and operated by persons who are citizens of the United States under section 2 of the Shipping Act, 1916; or

[(ii) less than 10 years of age and owned and operated by a corporation that is—

[(I) eligible to document a vessel under chapter 121 of title 46, United States Code; and

[(II) affiliated with a corporation operating or managing for the Secretary of Defense other ves-

sels documented under that chapter, or chartering other vessels to the Secretary of Defense.

[(B) LIMITATION ON NUMBER OF OPERATING AGREEMENTS.—The total number of operating agreements that may be entered into by a person under the priority in subparagraph (A)—

[(i) for vessels described in subparagraph (A)(i), may not exceed the sum of—

[(I) the number of United States-documented vessels the person operated in the foreign commerce of the United States (except mixed coastwise and foreign commerce) on May 17, 1995; and

[(II) the number of United States-documented vessels the person chartered to the Secretary of Defense on that date; and

[(ii) for vessels described in subparagraph (A)(ii), may not exceed 5 vessels.

[(C) TREATMENT OF RELATED PARTIES.—For purposes of subparagraph (B), a related party with respect to a person shall be treated as the person.

[(2) OTHER VESSELS OWNED BY CITIZENS AND GOVERNMENT CONTRACTORS.—To the extent that amounts are available after applying paragraph (1), any vessel that is owned and operated by a person who is—

[(A) a citizen of the United States under section 2 of the Shipping Act, 1916, that has not been awarded an operating agreement under the priority established under paragraph (1); or

[(B)(i) eligible to document a vessel under chapter 121 of title 46, United States Code; and

[(ii) affiliated with a corporation operating or managing other United States-documented vessels for the Secretary of Defense or chartering other vessels to the Secretary of Defense.

[(3) OTHER VESSELS.—To the extent that amounts are available after applying paragraphs (1) and (2), any other eligible vessel.

[(j) TRANSFER OF OPERATING AGREEMENTS.—A contractor under an operating agreement may transfer the agreement (including all rights and obligations under the agreement) to any person eligible to enter into that operating agreement under this subtitle after notification of the Secretary in accordance with regulations prescribed by the Secretary, unless the transfer is disapproved by the Secretary within 90 days after the date of that notification. A person to whom an operating agreement is transferred may receive payments from the Secretary under the agreement only if each vessel to be covered by the agreement after the transfer is an eligible vessel under section 651(b).

[(k) REVERSION OF UNUSED AUTHORITY.—The obligation of the Secretary to make payments under an operating agreement under this subtitle shall terminate with respect to a vessel if the contractor fails to engage in operation of the vessel for which such payment is required—

[(1) within one year after the effective date of the operating agreement, in the case of a vessel in existence on the effective date of the agreement, or

[(2) within 30 months after the effective date of the operating agreement, in the case of a vessel to be constructed after that effective date.

[(l) PROCEDURE FOR CONSIDERING APPLICATION; EFFECTIVE DATE FOR CERTAIN VESSELS.—

[(1) PROCEDURES.—No later than 30 days after the date of the enactment of the Maritime Security Act of 1996, the Secretary shall accept applications for enrollment of vessels in the Fleet, and within 90 days after receipt of an application for enrollment of a vessel in the Fleet, the Secretary shall enter into an operating agreement with the applicant or provide in writing the reason for denial of that application.

[(2) EFFECTIVE DATE.—Unless an earlier date is requested by the applicant, the effective date for an operating agreement with respect to a vessel which is, on the date of entry into an operating agreement, either subject to a contract under subtitle A or on charter to the United States Government, other than a charter under section 653, shall be the expiration or termination date of the contract under subtitle A or of the Government charter covering the vessel, respectively, or any earlier date the vessel is withdrawn from that contract or charter.

[(m) EARLY TERMINATION.—An operating agreement under this subtitle shall terminate on a date specified by the contractor if the contractor notifies the Secretary, by not later than 60 days before the effective date of the termination, that the contractor intends to terminate the agreement. Vessels covered by an operating agreement terminated under this subsection shall remain documented under chapter 121 of title 46, United States Code, until the date the operating agreement would have terminated according to its terms. A contractor who terminates an operating agreement pursuant to this subsection shall continue to be bound by the provisions of section 653 until the date the operating agreement would have terminated according to its terms. All terms and conditions of an Emergency Preparedness Agreement entered into under section 653 shall remain in effect until the date the operating agreement would have terminated according to its terms, except that the terms of such Emergency Preparedness Agreement may be modified by the mutual consent of the contractor and the Secretary of Transportation and the Secretary of Defense.

[(n) NONRENEWAL FOR LACK OF FUNDS.—If, by the first day of a fiscal year, sufficient funds have not been appropriated under the authority provided by section 655 for that fiscal year, the Secretary of Transportation shall notify the Congress that operating agreements authorized under this subtitle for which sufficient funds are not available will not be renewed for that fiscal year if sufficient funds are not appropriated by the 60th day of that fiscal year. If funds are not appropriated under the authority provided by section 655 for any fiscal year by the 60th day of that fiscal year, then each vessel covered by an operating agreement under this subtitle for which funds are not available is thereby released from any further obligation under the operating agreement, and the vessel owner or operator may transfer and register such vessel under a

foreign registry deemed acceptable by the Secretary of Transportation, notwithstanding any other provision of law. If section 902 is applicable to such vessel after registration of the vessel under such a registry, the vessel is available to be requisitioned by the Secretary of Transportation pursuant to section 902.

[(o) AWARD OF OPERATING AGREEMENTS.—

[(1) IN GENERAL.—The Secretary of Transportation, subject to paragraph (4), shall award operating agreements within each priority under subsection (i) (1), (2), and (3) under regulations prescribed by the Secretary.

[(2) NUMBER OF AGREEMENTS AWARDED.—Regulations under paragraph (1) shall provide that if appropriated amounts are not sufficient for operating agreements for all vessels within a priority under subsection (i) (1), (2), or (3), the Secretary shall award to each person submitting a request a number of operating agreements that bears approximately the same ratio to the total number of vessels in the priority, as the amount of appropriations available for operating agreements for vessels in the priority bears to the amount of appropriations necessary for operating agreements for all vessels in the priority.

[(3) TREATMENT OF RELATED PARTIES.—For purposes of paragraph (2), a related party with respect to a person shall be treated as the person.

[(4) PREFERENCE FOR UNITED STATES-BUILT VESSELS.—In awarding operating agreements for vessels within a priority under subsection (i) (1), (2), or (3), the Secretary shall give preference to a vessel that was constructed in the United States, to the extent such preference is consistent with establishment of a fleet described in the first sentence of section 651(a) (taking into account the age of the vessel, the nature of service provided by the vessel, and the commercial viability of the vessel).

[(p) NOTICE TO UNITED STATES SHIPBUILDERS REQUIRED.—The Secretary shall include in any operating agreement under this subtitle a requirement that the contractor under the agreement shall, by not later than 30 days after soliciting any bid or offer for the construction of any vessel in a foreign shipyard and before entering into a contract for construction of a vessel in a foreign shipyard, provide notice of the intent of the contractor to enter into such a contract to each shipyard in the United States that is capable of constructing the vessel.

[NATIONAL SECURITY REQUIREMENTS

[SEC. 653. (a) EMERGENCY PREPAREDNESS AGREEMENT.—

[(1) REQUIREMENT TO ENTER AGREEMENT.—The Secretary of Transportation shall establish an Emergency Preparedness Program under this section that is approved by the Secretary of Defense. Under the program, the Secretary of Transportation shall include in each operating agreement under this subtitle a requirement that the contractor enter into an Emergency Preparedness Agreement under this section with the Secretary. The Secretary shall negotiate and enter into an Emergency Preparedness Agreement with each contractor as promptly as practicable after the contractor has entered into an operating agreement under this subtitle.

[(2) TERMS OF AGREEMENT.—An Emergency Preparedness Agreement under this section shall require that upon a request by the Secretary of Defense during time of war or national emergency, or whenever determined by the Secretary of Defense to be necessary for national security (including any natural disaster, international peace operation, or contingency operation (as that term is defined in section 101 of title 10, United States Code)), a contractor for a vessel covered by an operating agreement under this subtitle shall make available commercial transportation resources (including services). The basic terms of the Emergency Preparedness Agreements shall be established pursuant to consultations among the Secretary, the Secretary of Defense, and Maritime Security Program contractors. In any Emergency Preparedness Agreement, the Secretary and a contractor may agree to additional or modifying terms appropriate to the contractor's circumstances if those terms have been approved by the Secretary of Defense.

[(3) PARTICIPATION AFTER EXPIRATION OF OPERATING AGREEMENT.—Except as provided by section 652(m), the Secretary may not require, through an Emergency Preparedness Agreement or operating agreement, that a contractor continue to participate in an Emergency Preparedness Agreement when the operating agreement with the contractor has expired according to its terms or is otherwise no longer in effect. After expiration of an Emergency Preparedness Agreement, a contractor may volunteer to continue to participate in such an agreement.

[(b) RESOURCES MADE AVAILABLE.—The commercial transportation resources to be made available under an Emergency Preparedness Agreement shall include vessels or capacity in vessels, intermodal systems and equipment, terminal facilities, intermodal and management services, and other related services, or any agreed portion of such nonvessel resources for activation as the Secretary may determine to be necessary, seeking to minimize disruption of the contractor's service to commercial shippers.

[(c) COMPENSATION.—

[(1) IN GENERAL.—The Secretary of Transportation shall provide in each Emergency Preparedness Agreement for fair and reasonable compensation for all commercial transportation resources provided pursuant to this section.

[(2) SPECIFIC REQUIREMENTS.—Compensation under this subsection—

[(A) shall not be less than the contractor's commercial market charges for like transportation resources;

[(B) shall include all the contractor's costs associated with provision and use of the contractor's commercial resources to meet emergency requirements;

[(C) in the case of a charter of an entire vessel, shall be fair and reasonable;

[(D) shall be in addition to and shall not in any way reflect amounts payable under section 652; and

[(E) shall be provided from the time that a vessel or resource is diverted from commercial service until the time that it reenters commercial service.

[(3) APPROVAL OF AMOUNT BY SECRETARY OF DEFENSE.—No compensation may be provided for a vessel under this subsection unless the amount of the compensation is approved by the Secretary of Defense.

[(d) TEMPORARY REPLACEMENT VESSELS.—Notwithstanding any other provision of this subtitle or of other law to the contrary—

[(1) a contractor or other person that commits to make available a vessel or vessel capacity under the Emergency Preparedness Program or another primary sealift readiness program approved by the Secretary of Defense may, during the activation of that vessel or capacity under that program, operate or employ in foreign commerce a foreign-flag vessel or foreign-flag vessel capacity as a temporary replacement for the activated vessel or capacity; and

[(2) such replacement vessel or vessel capacity shall be eligible during the replacement period to transport preference cargoes subject to section 2631 of title 10, United States Code, the Act of March 26, 1934 [46 App. U.S.C. 1241–1), and sections 901(a), 901(b), and 901b of this Act to the same extent as the eligibility of the vessel or vessel capacity replaced.

[(e) REDELIVERY AND LIABILITY OF UNITED STATES FOR DAMAGES.—

[(1) IN GENERAL.—All commercial transportation resources activated under an Emergency Preparedness Agreement shall, upon termination of the period of activation, be redelivered to the contractor in the same good order and condition as when received, less ordinary wear and tear, or the Government shall fully compensate the contractor for any necessary repair or replacement.

[(2) LIMITATION ON LIABILITY OF UNITED STATES.—Except as may be expressly agreed to in an Emergency Preparedness Agreement, or as otherwise provided by law, the Government shall not be liable for disruption of a contractor's commercial business or other consequential damages to a contractor arising from activation of commercial transportation resources under an Emergency Preparedness Agreement.

[(3) LIMITATION ON APPLICATION OF OTHER REQUIREMENTS.—Sections 902 and 909 of this Act shall not apply to a vessel while it is covered by an Emergency Preparedness Agreement under this subtitle. Any Emergency Preparedness Agreement entered into by a contractor shall supersede any other agreement between that contractor and the Government for vessel availability in time of war or national emergency.

[DEFINITIONS

[SEC. 654. In this subtitle:

[(1) BULK CARGO.—The term "bulk cargo" means cargo that is loaded and carried in bulk without mark or count.

[(2) CONTRACTOR.—The term "contractor" means an owner or operator of a vessel that enters into an operating agreement for the vessel with the Secretary of Transportation under section 652.

[(3) OCEAN COMMON CARRIER.—The term "ocean common carrier" means a person holding itself out to the general public to operate vessels to provide transportation by water of pas-

sengers or cargo between the United States and a foreign country for compensation, that—

[(A) assumes responsibility for the transportation from the port or point of receipt to the port or point of destination, and

[(B) utilizes, for all or part of that transportation, a vessel operating on the high seas or the Great Lakes between a port in the United States and a port in a foreign country, except that the term does not include a common carrier engaged in ocean transportation by ferry boat, ocean tramp, or chemical parcel-tanker. As used in this paragraph, "chemical parcel-tanker" means a vessel whose cargo-carrying capability consists of individual cargo tanks for bulk chemicals that are a permanent part of the vessel, that have segregation capability with piping systems to permit simultaneous carriage of several bulk chemical cargoes with minimum risk of cross-contamination, and that has a valid certificate of fitness under the International Maritime Organization Code for the Construction and Equipment of Ships Carrying Dangerous Chemicals in Bulk.

[(4) FLEET.—The term "Fleet" means the Maritime Security Fleet established pursuant to section 651(a).

[(5) LASH VESSEL.—The term "LASH vessel" means a lighter aboard ship vessel.

[(6) UNITED STATES-DOCUMENTED VESSEL.—The term "United States-documented vessel" means a vessel documented under chapter 121 of title 46, United States Code.

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 655. There are authorized to be appropriated for operating agreements under this subtitle, to remain available until expended, $100,000,000 for fiscal year 1996 and such sums as may be necessary, not to exceed $100,000,000, for each fiscal year thereafter through fiscal year 2005.

[NONCONTIGUOUS DOMESTIC TRADES

[SEC. 656. (a)(1) Except as otherwise provided in this section, no contractor or related party shall receive payments pursuant to this subtitle during a period when it participates in a noncontiguous domestic trade, except upon written permission of the Secretary of Transportation. Such written permission shall also be required for any material change in the number or frequency of sailings, the capacity offered, or the domestic ports called by a contractor or related party in a noncontiguous domestic trade. The Secretary may grant such written permission pursuant to written application of such contractor or related party unless the Secretary finds that—

[(A) existing service in that trade is adequate; or

[(B) the service sought to be provided by the contractor or related party—

[(i) would result in unfair competition to any other person operating vessels in such noncontiguous domestic trade, or

[(ii) would be contrary to the objects and policy of this Act.

[(2) For purposes of this subsection, "written permission of the Secretary" means permission which states the capacity offered, the number and frequency of sailings, and the domestic ports called, and which is granted following—

[(A) written application containing the information required by paragraph (e)(1) by a person seeking such written permission, notice of which application shall be published in the Federal Register within 15 days of filing of such application with the Secretary;

[(B) holding of a hearing on the application under section 554 of title 5, United States Code, in which every person, firm or corporation having any interest in the application shall be permitted to intervene and be heard; and

[(C) final decision on the application by the Secretary within 120 days following conclusion of such hearing.

[(b)(1) Subsection (a) shall not apply in any way to provision by a contractor of service within the level of service provided by that contractor as of the date established by subsection (c) or to provision of service permitted by subsection (d).

[(2) Subsection (a) shall not apply to operation by a contractor of a self-propelled tank vessel in a noncontiguous domestic trade, or to ownership by a contractor of an interest in a self-propelled tank vessel that operates in a noncontiguous domestic trade.

[(c) The date referred to in subsection (b) shall be August 9, 1995: *Provided however,* That with respect to tug and barge service to Alaska the date referred to in subsection (b) shall be July 1, 1992.

[(d) A contractor may provide service in a trade in addition to the level of service provided as of the applicable date established by subsection (c) in proportion to the annual increase in real gross product of the noncontiguous State or Commonwealth served since the applicable date established by subsection (c).

[(e)(1) A person applying for award of an agreement under this subtitle shall include with the application a description of the level of service provided by that person in each noncontiguous domestic trade served as of the date applicable under subsection (c). The application also shall include, for each such noncontiguous domestic trade: a list of vessels operated by that person in such trade, their container carrying capacity expressed in twenty-foot equivalent units (TEUs) or other carrying capacity, the itinerary for each such vessel, and such other information as the Secretary may require by regulation. Such description and information shall be made available to the public. Within 15 days of the date of an application for an agreement by a person seeking to provide service pursuant to subsections (b) and (c) of this section, the Secretary shall cause to be published in the Federal Register notice of such description, along with a request for public comment thereon. Comments on such description shall be submitted to the Secretary within 30 days of publication in the Federal Register. Within 15 days after receipt of comments, the Secretary shall issue a determination in writing either accepting, in whole or part, or rejecting use of the applicant's description to establish the level of service provided as of the date applicable under subsection (c): *Provided,* That notwithstanding the

provisions of this subsection, processing of the application for an award of an agreement shall not be suspended or delayed during the time in which comments may be submitted with respect to the determination or during the time prior to issuance by the Secretary of the required determination: *Provided further,* That if the Secretary does not make the determination required by this paragraph within the time provided by this paragraph, the description of the level of service provided by the applicant shall be deemed to be the level of service provided as of the applicable date until such time as the Secretary makes the determination.

[(2) No contractor shall implement the authority granted in subsection (d) of this section except as follows:

[(A) An application shall be filed with the Secretary which shall state the increase in capacity sought to be offered, a description of the means by which such additional capacity would be provided, the basis for applicant's position that such increase in capacity would be in proportion to or less than the increase in real gross product of the relevant noncontiguous State or Commonwealth since the applicable date established by subsection (c), and such information as the Secretary may require so that the Secretary may accurately determine such increase in real gross product of the relevant noncontiguous State or Commonwealth.

[(B) Such increase in capacity sought by applicant and such information shall be made available to the public.

[(C) Within 15 days of the date of an application pursuant to this paragraph the Secretary shall cause to be published in the Federal Register notice of such application, along with a request for public comment thereon.

[(D) Comments on such application shall be submitted to the Secretary within 30 days of publication in the Federal Register.

[(E) Within 15 days after receipt of comments, the Secretary shall issue a determination in writing either accepting, in whole or part, or rejecting, the increase in capacity sought by the applicant as being in proportion to or less than the increase in real gross product of the relevant noncontiguous State or Commonwealth since the applicable date established by subsection (c): *Provided,* That, notwithstanding the provisions of this section, if the Secretary does not make the determination required by this paragraph within the time provided by this paragraph, the increase in capacity sought by applicant shall be permitted as being in proportion to or less than such increase in real gross product until such time as the Secretary makes the determination.

[(f) With respect to provision by a contractor of service in a noncontiguous domestic trade not authorized by this section, the Secretary shall deny payments under the operating agreement with respect to the period of provision of such service but shall deny payments only in part if the extent of provision of such unauthorized service was de minimis or not material.

[(g) Notwithstanding any other provision of this subtitle, the Secretary may issue temporary permission for any United States citizen, as that term is defined in section 2 of the Shipping Act, 1916, to provide service to a noncontiguous State or Common-

wealth upon the request of the Governor of such noncontiguous State or Commonwealth, in circumstances where an Act of God, a declaration of war or national emergency, or any other condition occurs that prevents ocean transportation service to such noncontiguous State or Commonwealth from being provided by persons currently providing such service. Such temporary permission shall expire 90 days from date of grant, unless extended by the Secretary upon written request of the Governor of such State or Commonwealth.

[(h) As used in this section:

[(1) The term "level of service provided by a contractor" in a trade as of a date means—

[(A) with respect to service other than service described in (B), the total annual capacity provided by the contractor in that trade for the 12 calendar months preceding that date: *Provided,* That, with respect to unscheduled, contract carrier tug and barge service between points in Alaska south of the Arctic Circle and points in the contiguous 48 States, the level of service provided by a contractor shall include 100 percent of the capacity of the equipment dedicated to such service on the date specified in subsection (c) and actually utilized in that service in the two-year period preceding that date, excluding service to points between Anchorage, Alaska and Whittier, Alaska, served by common carrier service unless such unscheduled service is only for carriage of oil or pursuant to a contract with the United States military: *Provided further,* That, with respect to scheduled barge service between the contiguous 48 States and Puerto Rico, such total annual capacity shall be deemed as such total annual capacity plus the annual capacity of two additional barges, each capable of carrying 185 trailers and 100 automobiles; and

[(B) with respect to service provided by container vessels, the overall capacity equal to the sum of—

[(i) 100 percent of the capacity of vessels operated by or for the contractor on that date, with the vessels' configuration and frequency of sailing in effect on that date, and which participate solely in that noncontiguous domestic trade; and

[(ii) 75 percent of the capacity of vessels operated by or for the contractor on that date, with the vessels' configuration and frequency of sailing in effect on that date, and which participate in that noncontiguous domestic trade and in another trade, provided that the term does not include any restriction on frequency, or number of sailings, or on ports called within such overall capacity.

[(2) The level of service set forth in paragraph (1) shall be described with the specificity required by subsection (e)(1) and shall be the level of service in a trade with respect to the applicable date established by subsection (c) only if the service is not abandoned thereafter, except for interruptions due to military contingency or other events beyond the contractor's control.

[(3) The term "participates in a noncontiguous domestic trade" means directly or indirectly owns, charters, or operates a vessel engaged in transportation of cargo between a point in the contiguous 48 states and a point in Alaska, Hawaii, or Puerto Rico, other than a point in Alaska north of the Arctic Circle.

[(4) The term "related party" means—

[(A) a holding company, subsidiary, affiliate, or associate of a contractor who is a party to an operating agreement under this subtitle; and

[(B) an officer, director, agent, or other executive of a contractor or of a person referred to in subparagraph (A).]

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TITLE VIII—CONTRACT PROVISIONS

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[SEC. 804. (a) Except as provided in subsections (b) and (c) of this section, it shall be unlawful for any contractor receiving an operating-differential subsidy under title VI or for any charterer of vessels under title VII of this Act, or any holding company, subsidiary, affiliate, or associate of such contractor or such charterer, or any officer, director, agent, or executive thereof, directly or indirectly to own, charter, act as agent or broker for, or operate any foreign-flag vessel which competes with any American-flag service determined by the Secretary of Transportation to be essential as provided in section 211 of this Act.

[(b) Under special circumstances and for good cause shown, the Secretary of Transportation may, in his discretion, waive the provisions of subsection (a) of this section as to any contractor, for a specific period of time.

[(c) Upon application to the Secretary of Transportation the provisions of subsection (a) of this section shall not apply to the following specified activities of any contractor under title VI, or those in the foregoing specified relationship to him, who was not such a contractor on April 15,1970, and who shall have complied with the requirement set forth in subsection (d) of this section:

[(1) Until April 15, 1990—

[(A) the continued ownership, charter, or operation of a foreign-flag vessel engaged in the carriage of dry or liquid cargoes in bulk which was owned, chartered, or operated by such contractor, or those in the foregoing specified relationship to him, on April 15, 1970;

[(B) the continued acting as agent or broker for a vessel described in subsection (c)(1)(A) of this section which is owned, chartered, or operated by such contractor, or those in the foregoing specified relationship to him, and for which such contractor, or those in the foregoing specified relationship to him, were acting as agent or broker on April 15, 1970;

[(d) No contractor under title VI, whether he shall have become such a contractor before or after the date of enactment of this section, shall avail himself of the provisions of subsection (c) of this section unless not later than ninety days after the enactment of this section there shall have been filed with the Secretary of Trans-

portation a full and complete statement, satisfactory in form and substance to the Secretary, of all foreign-flag vessels which he, or those in the foregoing specified relationship to him, directly or indirectly owned, chartered, acted as agent or broker, for, or operated on April 15, 1970.

[(e) During the period of time provided for in subsection (c) of this section, the Secretary of Transportation shall include in the annual report pursuant to section 208 of this Act, a report on the activities of contractors under such subsection, including but not limited to, the nature and extent of such activities; its effect, if any, upon carrying forward the national policy declared in section 101 of this Act; and the Secretary's recommendations for legislation, if such is deemed to be necessary.

[(f) The provisions of subsection (a) shall not preclude a contractor receiving assistance under subtitle A or B of title VI, or any holding company, subsidiary, or affiliate of the contractor, or any officer, director, agent, or executive thereof, from—

[(1) owning, chartering, or operating any foreign-flag vessel on a voyage or a segment of a voyage that does not call at a port in the United States;

[(2) owning, chartering, or operating any foreign-flag vessel in line haul service between the United States and foreign ports if—

[(A) the foreign-flag vessel was owned, chartered, or operated by, or is a replacement for a foreign-flag vessel owned, chartered, or operated by, such owner or operator, or any holding company, subsidiary, affiliate, or associate of such owner or operator, on the date of enactment of the Maritime Security Act of 1996;

[(B) the owner or operator, with respect to each additional foreign-flag vessel, other than a time chartered vessel, has first applied to have that vessel covered by an operating agreement under subtitle B of title VI, and the Secretary has not awarded an operating agreement with respect to that vessel within 90 days after the filing of the application; or

[(C) the vessel has been placed under foreign documentation pursuant to section 9 of the Shipping Act, 1916 [46 App. U.S.C. 808), except that any foreign-flag vessel, other than a time chartered vessel, a replacement vessel under section 653(d), or a vessel operated by the owner or operator on the date of enactment of the Maritime Security Act of 1996, in line haul service between the United States and foreign ports is registered under the flag of an effective United States-controlled foreign flag, and available to be requisitioned by the Secretary of Transportation pursuant to section 902 of this Act;

[(3) owning, chartering, or operating foreign-flag bulk cargo vessels that are operated in foreign-to-foreign service or the foreign commerce of the United States;

[(4) chartering or operating foreign-flag vessels that are operated solely as replacement vessels for United States-flag vessels or vessel capacity that are made available to the Secretary of Defense pursuant to section 653 of this Act; or

[(5) entering into time or space charter or other cooperative agreements with respect to foreign-flag vessels or acting as agent or broker for a foreign-flag vessel or vessels.]

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TITLE XI—FEDERAL SHIP MORTGAGE INSURANCE

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SEC. 1103. (a) * * *

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(i) PRIORITY.—In guaranteeing and entering commitments to guarantee under this section, the Secretary shall give priority to guarantees and commitments for vessels that are otherwise eligible for a guarantee under this section and that are constructed with assistance under subtitle C of the Maritime Security Act of 2003.

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SECTION 12102 OF TITLE 46, UNITED STATES CODE

§ 12102. Vessels eligible for documentation

(a) * * *

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(d)(1) * * *

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(4) If a person chartering a vessel from a trust that is qualified under paragraph (2) of this subsection is a citizen of the United States under section 2 of the Shipping Act, 1916 (46 App. U.S.C. 802), then the vessel is deemed to be owned by a citizen of the United States for purposes of that section and related laws, except for subtitle B of title VI of the Merchant Marine Act, 1936 *or section 3511(b) of the Maritime Security Act of 2003*.

○