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REPORT
107–772

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2003

CONFERENCE REPORT

TO ACCOMPANY

H.R. 4546

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107TH CONGRESS 2d Session | HOUSE OF REPRESENTATIVES | REPORT 107–772

BOB STUMP NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2003

NOVEMBER 12, 2002.—Ordered to be printed

Mr. STUMP, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 4546]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 4546), to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE; FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the "Bob Stump National Defense Authorization Act for Fiscal Year 2003".

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

(1) Representative Bob Stump of Arizona was elected to the House of Representatives in 1976 for service in the 95th Congress, after serving in the Arizona legislature for 18 years and serving as President of the Arizona State Senate from 1975 to 1976, and he has been reelected to each subsequent Congress.

(2) A World War II combat veteran, Representative Stump entered service in the United States Navy in 1943, just after his 16th birthday, and served aboard the USS LUNGA POINT and the USS TULAGI, which participated in the invasions of Luzon, Iwo Jima, and Okinawa.

(3) Representative Stump was elected to the Committee on Armed Services in 1978 and has served on nearly all of its subcommittees and panels during 25 years of distinguished service on the committee. He has served as chairman of the committee during the 107th Congress and has championed United States national security as the paramount function of the Federal Government.

(4) Also serving on the Committee on Veterans' Affairs of the House of Representatives, chairing that committee from 1995 to 2000, and serving on the Permanent Select Committee on Intelligence of the House of Representatives, including service as the ranking minority member in 1985 and 1986, Representative Stump has dedicated his entire congressional career to steadfastly supporting America's courageous men and women in uniform both on and off the battlefield.

(5) Representative Stump's tireless efforts on behalf of those in the military and veterans have been recognized with numerous awards for outstanding service from active duty and reserve military, veterans' service, military retiree, and industry organizations.

(6) During his tenure as chairman of the Committee on Armed Services of the House of Representatives, Representative Stump has—

(A) overseen the largest sustained increase to defense spending since the Reagan administration;

(B) led efforts to improve the quality of military life, including passage of the largest military pay raise since 1982;

(C) supported military retirees, including efforts to reverse concurrent receipt law and to save the Armed Forces Retirement Homes;

(D) championed military readiness by defending military access to critical training facilities such Vieques, Puerto Rico, expanding the National Training Center at Ft. Irwin, California, and working to restore balance between environmental concerns and military readiness requirements;

(E) reinvigorated efforts to defend America against ballistic missiles by supporting an increase in fiscal year 2002 of nearly 50 percent above the fiscal year 2001 level for missile defense programs; and

(F) honored America's war heroes by expanding Arlington National Cemetery, establishing a site for the Air Force Memorial, and assuring construction of the World War II Memorial.

(7) In recognition of his long record of accomplishments in enhancing the national security of the United States and his legislative victories on behalf of active duty service members, reservists, guardsmen, and veterans, it is altogether fitting and proper that this Act be named in honor of Representative Bob Stump of Arizona, as provided in subsection (a).

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

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

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

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

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

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

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

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Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Defense Inspector General.
Sec. 106. Chemical Agents and Munitions Destruction, Defense.
Sec. 107. Defense health programs.

Subtitle B—Army Programs

Sec. 111. Pilot program on sales of manufactured articles and services of certain Army industrial facilities without regard to availability from domestic sources.
Sec. 112. Report on impact of Army aviation modernization plan on the Army National Guard.
Sec. 113. Family of Medium Tactical Vehicles.

Subtitle C—Navy Programs

Sec. 121. Extension of multiyear procurement authority for DDG–51 class destroyers.
Sec. 122. Sense of Congress on scope of conversion program for Ticonderoga-class cruisers.
Sec. 123. Continuation of contract for operation of Champion-class T–5 fuel tanker vessels.

Subtitle D—Air Force Programs

Sec. 131. Multiyear procurement authority for C–130J aircraft program.
Sec. 132. Pathfinder programs.
Sec. 133. Leases for tanker aircraft under multiyear aircraft-lease pilot program.

Subtitle E—Other Programs

Sec. 141. Destruction of existing stockpile of lethal chemical agents and munitions.
Sec. 142. Report on unmanned aerial vehicle systems.
Sec. 143. Global Information Grid system.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for defense science and technology.
Sec. 203. Defense health programs.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. RAH–66 Comanche aircraft program.
Sec. 212. Extension of requirements relating to management responsibility for naval mine countermeasures programs.
Sec. 213. Revised requirements for plan for Manufacturing Technology Program.
Sec. 214. Advanced SEAL Delivery System.
Sec. 215. Army experimentation program regarding design of the objective force.
Sec. 216. Program to provide Army with self-propelled Future Combat Systems non-line-of-sight cannon indirect fire capability for the objective force.
Sec. 217. Prohibition on transfer of Medical Free Electron Laser program.
Sec. 218. Littoral combat ship program.

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Sec. 3175. One-year extension of panel to assess the reliability, safety, and security of the United States nuclear stockpile.
Sec. 3176. Report on status of environmental management initiatives to accelerate the reduction of environmental risks and challenges posed by the legacy of the Cold War.

Subtitle E—Disposition of Weapons-Usable Plutonium at Savannah River, South Carolina

Sec. 3181. Findings.
Sec. 3182. Disposition of weapons-usable plutonium at Savannah River Site.
Sec. 3183. Study of facilities for storage of plutonium and plutonium materials at Savannah River Site.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Sec. 3301. Authorized uses of National Defense Stockpile funds.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Authorization of appropriations.

TITLE XXXV—MARITIME ADMINISTRATION

Sec. 3501. Authorization of appropriations for fiscal year 2003.
Sec. 3502. Authority to convey vessel USS SPHINX (ARL–24).
Sec. 3503. Independent analysis of title XI insurance guarantee applications.
Sec. 3504. Preparation as artificial reefs and scrapping of obsolete vessels.

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.
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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. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, 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.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Defense Inspector General.
Sec. 106. Chemical Agents and Munitions Destruction, Defense.
Sec. 107. Defense health programs.

Subtitle B—Army Programs

Sec. 111. Pilot program on sales of manufactured articles and services of certain Army industrial facilities without regard to availability from domestic sources.
Sec. 112. Report on impact of Army aviation modernization plan on the Army National Guard.
Sec. 113. Family of Medium Tactical Vehicles.

Subtitle C—Navy Programs

Sec. 121. Extension of multiyear procurement authority for DDG–51 class destroyers.
Sec. 122. Sense of Congress on scope of conversion program for Ticonderoga-class cruisers.
Sec. 123. Continuation of contract for operation of Champion-class T–5 fuel tanker vessels.

Subtitle D—Air Force Programs

Sec. 131. Multiyear procurement authority for C–130J aircraft program.
Sec. 132. Pathfinder programs.
Sec. 133. Leases for tanker aircraft under multiyear aircraft-lease pilot program.

Subtitle E—Other Programs

Sec. 141. Destruction of existing stockpile of lethal chemical agents and munitions.
Sec. 142. Report on unmanned aerial vehicle systems.
Sec. 143. Global Information Grid system.

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Army as follows:

(1) For aircraft, $2,186,296,000.

(2) For missiles, $1,152,299,000.

(3) For weapons and tracked combat vehicles, $2,276,751,000.

(4) For ammunition, $1,229,533,000.

(5) For other procurement, $5,857,814,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Navy as follows:

(1) For aircraft, $8,979,275,000.

(2) For weapons, including missiles and torpedoes, $2,375,349,000.

(3) For shipbuilding and conversion, $9,111,023,000.

(4) For other procurement, $4,494,754,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Marine Corps in the amount of $1,355,491,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement of ammunition for the Navy and the Marine Corps in the amount of $1,170,750,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Air Force as follows:

(1) For aircraft, $12,676,505,000.

(2) For missiles, $3,504,139,000.

(3) For ammunition, $1,290,764,000.

(4) For other procurement, $10,846,048,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 2003 for Defense-wide procurement in the amount of $3,691,604,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Inspector General of the Department of Defense in the amount of $2,000,000.

SEC. 106. CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE.

There is hereby authorized to be appropriated for fiscal year 2003 the amount of $1,490,199,000 for—

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

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

SEC. 107. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 2003 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $278,742,000.

Subtitle B—Army Programs

SEC. 111. PILOT PROGRAM ON SALES OF MANUFACTURED ARTICLES AND SERVICES OF CERTAIN ARMY INDUSTRIAL FACILITIES WITHOUT REGARD TO AVAILABILITY FROM DOMESTIC SOURCES.

(a) EXTENSION OF PROGRAM.—Subsection (a) of section 141 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 4543 note) is amended by striking "through 2002" in the first sentence and inserting "through 2004".

(b) USE OF OVERHEAD FUNDS MADE SURPLUS BY SALES.—Such section is further amended—

(1) by striking subsection (d);

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

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

"(c) TRANSFER OF CERTAIN SUMS.—For each Army industrial facility participating in the pilot program that sells manufactured articles and services in a total amount in excess of $20,000,000 in any fiscal year, the amount equal to one-half of one percent of such total amount shall be transferred from the sums in the Army Working Capital Fund for unutilized plant capacity to appropriations available for the following fiscal year for the demilitarization of conventional ammunition by the Army.".

(c) UPDATE OF INSPECTOR GENERAL'S REVIEW.—The Inspector General of the Department of Defense shall review the experience under the pilot program carried out under such section 141 and, not later than July 1, 2003, submit to Congress a report on the results of the review. The report shall contain the views, information, and recommendations called for under subsection (d) of such section (as redesignated by subsection (b)(2)). In carrying out the review and preparing the report, the Inspector General shall take into consideration the report submitted to Congress under such subsection (as so redesignated).

SEC. 112. REPORT ON IMPACT OF ARMY AVIATION MODERNIZATION PLAN ON THE ARMY NATIONAL GUARD.

(a) REPORT BY CHIEF OF THE NATIONAL GUARD BUREAU.—The Chief of the National Guard Bureau shall submit to the Chief of Staff of the Army a report on the requirements for Army National Guard aviation. The report shall include the following:

(1) An analysis of the impact of the Army Aviation Modernization Plan on the ability of the Army National Guard to conduct its aviation missions.

(2) The plan under that aviation modernization plan for the transfer of aircraft from the active component of the Army to the Army reserve components, including a timeline for those transfers.

(3) The progress, as of January 1, 2003, in carrying out the transfers under the plan referred to in paragraph (2).

(4) An evaluation of the suitability and cost effectiveness of existing Commercial Off The Shelf light utility helicopters for performance of Army National Guard utility aviation missions.

(b) COMMENTS AND RECOMMENDATIONS BY CHIEF OF STAFF OF THE ARMY.—Not later than February 1, 2003, the Chief of Staff 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 the report received under subsection (a), together with any comments and recommendations that the Chief of Staff considers appropriate on the matters covered in the report.

SEC. 113. FAMILY OF MEDIUM TACTICAL VEHICLES.

(a) MULTIYEAR PROCUREMENT AUTHORITY.—Beginning with the fiscal year 2003 program year, the Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract for the procurement of vehicles under the Family of Medium Tactical Vehicles program, subject to subsection (b).

(b) LIMITATION.—The Secretary of the Army may not enter into a multiyear contract for the procurement of vehicles in the Family of Medium Tactical Vehicles authorized by subsection (a) until the Secretary submits to the congressional defense committees a written certification that—

(1) all key performance parameters required in the initial operational test and evaluation for that program have been met; and

(2) the total cost through the use of such multiyear contract of the procurement of the number of vehicles to be procured under such contract is at least 10 percent less than the total cost of the procurement of the same number of such vehicles through the use of successive one-year contracts.

(c) WAIVER AUTHORITY.—The Secretary of Defense may waive subsection (b)(2) if the Secretary—

(1) determines that using a multiyear contract for the procurement of vehicles under the Family of Medium Tactical Vehicles program is in the national security interests of the United States;

(2) certifies that the Army cannot achieve the savings specified in subsection (b)(2); and

(3) submits to the congressional defense committees, in writing, a notification of the waiver together with a report describing the reasons why the use of a multiyear contract for such procurement is in the national security interests of the United States and why the Army cannot achieve a 10 percent savings of the total anticipated costs of carrying out the program through a multiyear contract.

Subtitle C—Navy Programs

SEC. 121. EXTENSION OF MULTIYEAR PROCUREMENT AUTHORITY FOR DDG–51 CLASS DESTROYERS.

Section 122(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2446), as amended by section 122 of Public Law 106–65 (113 Stat. 534) and section 122(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–24), is further amended by striking "October 1, 2005" in the first sentence and inserting "October 1, 2007".

SEC. 122. SENSE OF CONGRESS ON SCOPE OF CONVERSION PROGRAM FOR TICONDEROGA-CLASS CRUISERS.

It is the sense of Congress that the Secretary of the Navy should maintain the scope of the conversion program for the Ticonderoga class of cruisers so that the program—

(1) covers all 27 ships in that class of cruisers; and

(2) provides for modernizing each of those ships to include an appropriate mix of upgrades to ships' capabilities for theater missile defense, naval fire support, and air dominance.

SEC. 123. CONTINUATION OF CONTRACT FOR OPERATION OF CHAMPION-CLASS T–5 FUEL TANKER VESSELS.

The Department of the Navy contract in effect on the date of the enactment of this Act for the operation of five Champion-class T–5 fuel tanker vessels shall continue in effect with respect to the operation of each such vessel until the completion of the term of the contract or, if sooner for any such vessel, until the vessel is no longer used for purposes of the Military Sealift Command or any other Navy purpose.

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 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.

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

(1) testing of the CC–130J aircraft for qualification for use in assault operations has been completed by the Air Force Flight Test Center; and

(2) Block 5.3 software upgrades have been installed on all C–130J and CC–130J aircraft in the inventory of the Air Force.

SEC. 132. PATHFINDER PROGRAMS.

(a) PATHFINDER PROGRAMS.—Not later than February 1, 2003, the Secretary of the Air Force shall submit to the congressional defense committees a list of Air Force programs that the Secretary has

designated as acquisition reform pathfinder programs (hereinafter in this section referred to as "pathfinder programs").

(b) OVERSIGHT OF PATHFINDER PROGRAMS.—The Secretary of Defense shall ensure that the Under Secretary of Defense for Acquisition, Technology and Logistics, the Director of Operational Test and Evaluation, and the Joint Requirements Oversight Council maintain oversight over each pathfinder program that qualifies as a major defense acquisition program under section 2430 of title 10, United States Code.

(c) REPORT ON PATHFINDER PROGRAMS.—(1) Not later than March 15, 2003, the Secretary of the Air Force shall submit to the congressional defense committees a report on pathfinder programs. For each such program, the report shall include a description of the following:

(A) The management approach for that program and how that approach will result in a disciplined, affordable and well-managed acquisition program.

(B) The acquisition strategy for that program and how that acquisition strategy responds to approved operational requirements.

(C) The test and evaluation plan for that program and how that plan will provide adequate assessment of each pathfinder program.

(D) The manner in which the acquisition plan for that program considers cost, schedule, and technical risk.

(E) The manner in which any innovative business practices developed as a result of participation in the program could be applied to other acquisition programs, and any impediments to application of such practices to other programs.

(2) For each such program, the report shall also set forth the following:

(A) The manner in which the Under Secretary of Defense for Acquisition, Technology, and Logistics will be involved in the development, oversight, and approval of the program's management approach, acquisition strategy, and acquisition approach.

(B) The manner in which the Director of Operational Test and Evaluation will be involved in the development, oversight, and approval of the program's test and evaluation plan.

(C) The manner in which an independent cost estimate for the program will be developed by the Office of the Secretary of Defense.

(d) APPLICABILITY OF SPIRAL DEVELOPMENT SECTION.—Nothing in this section shall be construed to exempt any pathfinder program from the application of any provision of section 803(c).

SEC. 133. LEASES FOR TANKER AIRCRAFT UNDER MULTIYEAR AIRCRAFT-LEASE PILOT PROGRAM.

The Secretary of the Air Force may not enter into a lease for the acquisition of tanker aircraft for the Air Force under section 8159 of the Department of Defense Appropriations Act, 2002 (division A of Public Law 107–117; 115 Stat. 2284; 10 U.S.C. 2401a note) until—

(1) the Secretary submits the report specified in subsection (c)(6) of such section; and

(2) either—

(A) authorization and appropriation of funds necessary to enter into such lease are provided by law; or

(B) a new start reprogramming notification for the funds necessary to enter into such lease has been submitted in accordance with established procedures.

Subtitle E—Other Programs

SEC. 141. DESTRUCTION OF EXISTING STOCKPILE OF LETHAL CHEMICAL AGENTS AND MUNITIONS.

(a) PROGRAM MANAGEMENT.—The Secretary of Defense shall ensure that the program for destruction of the United States stockpile of lethal chemical agents and munitions is managed as a major defense acquisition program (as defined in section 2430 of title 10, United States Code) in accordance with the essential elements of such programs as may be determined by the Secretary.

(b) REQUIREMENT FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER) ANNUAL CERTIFICATION.—Beginning with respect to the budget request for fiscal year 2004, the Under Secretary of Defense (Comptroller) shall submit to the congressional defense committees on an annual basis a certification that the budget request for the chemical agents and munitions destruction program has been submitted in accordance with the requirements of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521).

SEC. 142. REPORT ON UNMANNED AERIAL VEHICLE SYSTEMS.

(a) REPORT.—Not later than January 1, 2003, the Secretary of Defense shall submit to Congress a report on unmanned aerial vehicle systems of the Department of Defense.

(b) MATTERS TO BE INCLUDED CONCERNING UNMANNED AERIAL VEHICLE SYSTEMS.—The Secretary shall include in the report under subsection (a) the following, shown for each system referred to in that subsection:

(1) A description of the infrastructure that the Department of Defense has (or is planning) for the system.

(2) A description of the operational requirements document (ORD) for the system.

(3) A description of the physical infrastructure of the Department for training and basing.

(4) A description of the manner in which the Department is interfacing with the industrial base.

(5) A description of the acquisition plan for the system.

(6) A description of the process by which the Department will ensure that any unmanned aerial vehicle program proceeding past the science and technology stage does so only as part of an integrated, overall Office of the Secretary of Defense strategy for acquisition of unmanned aerial vehicles, such as that provided in the approved Office of the Secretary of Defense unmanned aerial vehicle roadmap.

(c) SUGGESTIONS FOR CHANGES IN LAW.—The Secretary shall also include in the report under subsection (a) such suggestions as the Secretary considers appropriate for changes in law that would facilitate the way the Department acquires unmanned aerial vehicle systems.

SEC. 143. GLOBAL INFORMATION GRID SYSTEM.

None of the funds authorized to be appropriated by this Act for the Department of Defense system known as the Global Information Grid may be obligated until the Secretary of Defense submits to the congressional defense committees a plan to provide that, as part of the bandwidth expansion efforts for the system, the system will be designed and configured so as to ensure that information transmitted within the system is secure and protected from unauthorized access.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for defense science and technology.
Sec. 203. Defense health programs.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. RAH–66 Comanche aircraft program.
Sec. 212. Extension of requirements relating to management responsibility for naval mine countermeasures programs.
Sec. 213. Revised requirements for plan for Manufacturing Technology Program.
Sec. 214. Advanced SEAL Delivery System.
Sec. 215. Army experimentation program regarding design of the objective force.
Sec. 216. Program to provide Army with self-propelled Future Combat Systems non-line-of-sight cannon indirect fire capability for the objective force.
Sec. 217. Prohibition on transfer of Medical Free Electron Laser program.
Sec. 218. Littoral combat ship program.

Subtitle C—Ballistic Missile Defense

Sec. 221. Report requirements relating to ballistic missile defense programs.
Sec. 222. Responsibility of Missile Defense Agency for research, development, test, and evaluation related to system improvements of programs transferred to military departments.
Sec. 223. Limitation on obligation of funds for Theater High Altitude Area Defense Program pending submission of required life-cycle cost information.
Sec. 224. Provision of information on flight testing of Ground-based Midcourse National Missile Defense system.
Sec. 225. References to new name for Ballistic Missile Defense Organization.
Sec. 226. One-year limitation on use of funds for nuclear armed interceptors.

Subtitle D—Improved Management of Department of Defense Test and Evaluation Facilities

Sec. 231. Department of Defense Test Resource Management Center.
Sec. 232. Objective for institutional funding of test and evaluation facilities.
Sec. 233. Uniform financial management system for Department of Defense test and evaluation facilities.
Sec. 234. Test and evaluation workforce improvements.
Sec. 235. Compliance with testing requirements.

Subtitle E—Other Matters

Sec. 241. Pilot programs for revitalizing Department of Defense laboratories.
Sec. 242. Technology Transition Initiative.
Sec. 243. Defense Acquisition Challenge Program.
Sec. 244. Encouragement of small businesses and nontraditional defense contractors to submit proposals potentially beneficial for combating terrorism.
Sec. 245. Vehicle fuel cell program.
Sec. 246. Defense nanotechnology research and development program.
Sec. 247. Activities of the Defense Experimental Program to Stimulate Competitive Research.

Sec. 248. Four-year extension of authority of DARPA to award prizes for advanced technology achievements and additional authority of military departments and Defense Agencies to award prizes for achievements in promoting education.
Sec. 249. Plan for five-year program for enhancement of measurement and signatures intelligence capabilities of the United States through incorporation of results of basic research on sensors.

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2003 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $7,158,256,000.

(2) For the Navy, $13,244,164,000.

(3) For the Air Force, $18,337,078,000.

(4) For Defense-wide activities, $17,970,653,000, of which $311,554,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECHNOLOGY.

(a) FISCAL YEAR 2003.—Of the amounts authorized to be appropriated by section 201, $10,384,658,000 shall be available for the Defense Science and Technology Program, including basic research, applied research, and advanced technology development projects.

(b) BASIC RESEARCH, APPLIED RESEARCH, AND ADVANCED TECHNOLOGY DEVELOPMENT DEFINED.—For purposes of this section, the term "basic research, applied research, and advanced technology development" means work funded in program elements for defense research and development under Department of Defense category 6.1, 6.2, or 6.3.

SEC. 203. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 2003 for the Department of Defense for research, development, test, and evaluation for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $67,214,000.

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, 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.

(b) CONTENT.—The report shall include, at a minimum, the information relating to the program that the program manager provides to the Assistant Secretary of the Army for Acquisition, Logistics, and Technology with respect to—

(1) cost, including funding and contracts;
(2) schedule;
(3) performance;
(4) which goals are being met and which are not being met;
(5) milestones events accomplished; and
(6) significant events accomplished.

SEC. 212. EXTENSION OF REQUIREMENTS RELATING TO MANAGEMENT RESPONSIBILITY FOR NAVAL MINE COUNTERMEASURES PROGRAMS.

(a) IN GENERAL.—Section 216 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1317), as most recently amended by section 211 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1946), is amended—

(1) in subsection (a), by striking "through 2003" and inserting "through 2008";

(2) in subsection (b)—

(A) by striking "and" at the end of paragraph (2);

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

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

"(3) the responsibilities of the Joint Requirements Oversight Council under subsections (b) and (d) of section 181 of title 10, United States Code, have been carried out with respect to the updated mine countermeasures master plan, the budget resources for mine countermeasures for that fiscal year, and the future years defense program for mine countermeasures; and"; and

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

"(c) NOTIFICATION OF PROPOSED CHANGES.—Upon certifying under subsection (b) with respect to a fiscal year, the Secretary may not carry out any change to the naval mine countermeasures master plan or the budget resources for mine countermeasures with respect to that fiscal year until after the Under Secretary of Defense for Acquisition, Technology, and Logistics submits to the congressional defense committees a notification of the proposed change. Such notification shall describe the nature of the proposed change, the effect of the proposed change on the naval mine countermeasures program or related programs with respect to that fiscal year, and the effect of the proposed change on the validity of the decision to certify under subsection (b) with respect to that fiscal year.".

(b) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by striking "Under Secretary of Defense for Acquisition and Technology" and inserting "Under Secretary of Defense for Acquisition, Technology, and Logistics"; and

(2) in subsection (b)(2)—

(A) by striking "multiyear" and inserting "future years"; and

(B) by striking "section 114a" and inserting "section 221".

SEC. 213. REVISED REQUIREMENTS FOR PLAN FOR MANUFACTURING TECHNOLOGY PROGRAM.

(a) STREAMLINED CONTENTS OF PLAN.—Subsection (e) of section 2521 of title 10, United States Code, is amended by striking "prepare a five-year plan" in paragraph (1) and all that follows through the end of subparagraph (B) of paragraph (2) and inserting the following: "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.".

(b) BIENNIAL REPORT.—Such subsection is further amended in paragraph (3)—

(1) by striking "annually" and inserting "biennially"; and

(2) by striking "for a fiscal year" and inserting "for each even-numbered fiscal year".

SEC. 214. ADVANCED SEAL DELIVERY SYSTEM.

(a) TRANSFER OF FUNDS.—To the extent provided in appropriations Acts, the amount described in subsection (b) shall be transferred to amounts available for fiscal year 2003 for research, development, test, and evaluation, Defense-Wide, and shall be available only for research, development, test, and evaluation relating to the Advanced SEAL Delivery System.

(b) AMOUNT TO BE TRANSFERRED.—The amount referred to in subsection (a) is the amount of $13,700,000 that was authorized and appropriated for fiscal year 2002 for procurement of the Advanced SEAL Delivery System within amounts for Procurement, Defense-Wide.

(c) TRANSFER AUTHORITY IN ADDITION TO OTHER AUTHORITY.—The transfer authority provided by this section is in addition to any other transfer authority provided by law.

SEC. 215. ARMY EXPERIMENTATION PROGRAM REGARDING DESIGN OF THE OBJECTIVE FORCE.

(a) REQUIREMENT FOR REPORT.—Not later than March 31, 2003, the Secretary of the Army shall submit to Congress a report on the experimentation program regarding design of the objective force that is required by subsection (g) of section 113 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as added by section 113 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1029).

(b) BUDGET DISPLAY.—Amounts provided for the experimentation program in the budget for fiscal year 2004 that is submitted to Congress under section 1105(a) of title 31, United States Code, shall be displayed as a distinct program element in that budget and in the supporting documentation submitted to Congress by the Secretary of Defense.

SEC. 216. PROGRAM TO PROVIDE ARMY WITH SELF-PROPELLED FUTURE COMBAT SYSTEMS NON-LINE-OF-SIGHT CANNON INDIRECT FIRE CAPABILITY FOR THE OBJECTIVE FORCE.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program to provide the Army, not later than fiscal year 2008,

with a self-propelled Future Combat Systems non-line-of-sight cannon indirect fire capability to equip the objective force.

(b) REPORT.—(1) The Secretary shall submit to the congressional defense committees, at the same time that the President submits the budget for a fiscal year referred to in paragraph (2) to Congress under section 1105(a) of title 31, United States Code, a report on the investments proposed to be made with respect to non-line-of-sight indirect fire programs for the Army. The report shall—

(A) identify the amount proposed for expenditures for the Crusader artillery system program for that fiscal year in the future-years defense program that was submitted to Congress in 2002 under section 221 of title 10, United States Code; and

(B) specify—

(i) the manner in which the amount provided in that budget would be expended for improved non-line-of-sight indirect fire capabilities for the Army; and

(ii) the extent to which expending such amount in such manner would improve such capabilities for the Army.

(2) The requirement to submit a report under paragraph (1) shall apply with respect to budgets for fiscal years 2004, 2005, 2006, 2007, and 2008.

(c) OBJECTIVE FORCE DEFINED.—In this section, the term "objective force" has the meaning given such term in section 113(f)(2) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–24).

(d) FUNDING.—Of the amount authorized to be appropriated by section 201(1) for the Army for research, development, test, and evaluation, $368,500,000 shall be used only to develop and field a self-propelled Future Combat Systems non-line-of-sight cannon indirect fire artillery system and a resupply vehicle with respect to such system.

SEC. 217. PROHIBITION ON TRANSFER OF MEDICAL FREE ELECTRON LASER PROGRAM.

The Medical Free Electron Laser Program (PE 0602227D8Z) may not be transferred from the Department of Defense to the National Institutes of Health, or to any other department or agency of the Federal Government.

SEC. 218. LITTORAL COMBAT SHIP PROGRAM.

(a) AMOUNT FOR PROGRAM.—Of the amount authorized to be appropriated by section 201(2) for research, development, test, and evaluation, Navy, $4,000,000 may be available in program element 0603563N, relating to Ship Concept Advanced Design, for requirements development for the littoral combat ship.

(b) LIMITATION ON OBLIGATION OF FUNDS.—The Secretary of the Navy may not obligate any funds for the construction of a littoral combat ship until after the Secretary submits the report required by subsection (c).

(c) REPORT ON MILESTONE A PLAN AND SCHEDULE.—(1) The Secretary of the Navy shall submit to the congressional defense committees, at the same time that the President submits the budget for fiscal year 2004 to Congress under section 1105(a) of title 31, United States Code, a report on development of the littoral combat ship.

(2) The report shall address the plan and schedule for fulfilling the requirements of Department of Defense Instruction 5000-series for a major defense acquisition Milestone A decision for initiation of concept and technology development for the littoral combat ship, including the following such requirements:

(A) Consideration of technology issues.

(B) Market research.

(C) Validated mission need statement.

(D) Analysis of multiple concepts.

(E) Test and evaluation master plan (evaluation strategy only).

(F) Exit criteria.

(G) Acquisition decision memorandum.

(3) The report shall include a discussion of the Secretary's acquisition strategy for development of the littoral combat ship.

(d) REQUIREMENTS FOR ACQUISITION STRATEGY.—The Secretary shall ensure that the acquisition strategy for development of the littoral combat ship includes the following:

(1) A concept and technology demonstration phase that is robust and, in a manner and on a schedule that will inform the Navy's decisions on the concepts, technologies, and capabilities to be incorporated into the initial design of the littoral combat ship and into follow-on designs, capitalizes upon ongoing and planned experiments, demonstrations, and evaluations of—

(A) existing, prototype, and experimental hull forms and platforms, including the hull forms and platforms relating to—

(i) the Coastal Waters Interdiction Platform;

(ii) the Hybrid Deep Vee Demonstrator;

(iii) the Littoral Support Craft (Experimental);

(iv) the High Speed Vessel;

(v) surface effects ships;

(vi) Research Vessel Triton;

(vii) the SLICE ship;

(viii) other existing, prototype, and experimental craft that the Secretary considers to be appropriate; and

(ix) other existing ships capable of carrying the desired payload packages;

(B) ship and combat systems components;

(C) command, control, and communications systems;

(D) intelligence, surveillance, and reconnaissance systems;

(E) weapons systems; and

(F) support systems.

(2) A description of the experiments, demonstrations, and evaluations that are needed for support of design and development decisionmaking for mission modules to be employed on the littoral combat ship, including the mission modules for—

(A) anti-submarine warfare;

(B) mine countermeasures;

(C) anti-ship defense; and

(D) any other missions that may be envisioned for the ship.

(3) An identification of the experiments, demonstrations, and evaluations that would need to be accomplished during the concept and technology demonstration phase and those that would need to be accomplished during the system development and demonstration phase (after a major defense acquisition Milestone B decision to enter that phase).

(4) A description of the potential trade-offs between program requirements and capabilities, and the methodology (including life cycle cost as an independent variable, speed as an independent variable, and other applicable program attributes), needed to arrive at a design for a littoral combat ship that can be approved (pursuant to a major defense acquisition Milestone B decision) for entry into the system development and demonstration phase.

(5) An analysis of the adequacy of existing and planned platforms to test the littoral ship concept prior to construction of a littoral combat ship.

Subtitle C—Ballistic Missile Defense

SEC. 221. REPORT REQUIREMENTS RELATING TO BALLISTIC MISSILE DEFENSE PROGRAMS.

(a) ANNUAL SUBMISSION OF CURRENT PERFORMANCE GOALS AND DEVELOPMENT BASELINES.—(1) The Secretary of Defense shall submit to the congressional defense committees each year the performance goals and development baselines—

(A) for those ballistic missile defense systems under development by the Missile Defense Agency that could be fielded; and

(B) for any other ballistic missile defense program or project that has been designated by Congress as a special interest item.

(2) Such performance goals and development baselines shall be provided for each block of each such system.

(3) The performance goals and development baselines under paragraph (1) shall be included annually with the defense budget justification materials submitted in support of the President's budget submitted to Congress under section 1105 of title 31, United States Code.

(b) RDT&E BUDGET JUSTIFICATION MATERIALS.—The budget justification materials submitted to Congress for any fiscal year in support of a request for the authorization and appropriation of funds for research, development, test, and evaluation for ballistic missile defense systems shall include a funding profile for each block of each such system that could be fielded that reflects the development baseline submitted pursuant to subsection (a) for that fiscal year.

(c) REVIEW OF MDA CRITERIA IN RELATION TO MILITARY REQUIREMENTS.—(1) The Joint Requirements Oversight Council established under section 181 of title 10, United States Code, shall review cost, schedule, and performance criteria for missile defense programs of the Missile Defense Agency in order to assess the validity of those criteria in relation to military requirements.

(2) The Secretary shall include the results of such review with the first annual statement of program goals submitted to the congressional defense committees under section 232(c) of the National

Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 10 U.S.C. 2431 note) after the date of the enactment of this Act.

SEC. 222. RESPONSIBILITY OF MISSILE DEFENSE AGENCY FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION RELATED TO SYSTEM IMPROVEMENTS OF PROGRAMS TRANSFERRED TO MILITARY DEPARTMENTS.

Section 224(e) of title 10, United States Code, is amended—

(1) by striking "before a" and inserting "for each";

(2) by striking "is"; and

(3) by striking "roles and responsibilities" and all that follows through the period at the end and inserting "responsibility for research, development, test, and evaluation related to system improvements for that program remains with the Director.".

SEC. 223. LIMITATION ON OBLIGATION OF FUNDS FOR THEATER HIGH ALTITUDE AREA DEFENSE PROGRAM PENDING SUBMISSION OF REQUIRED LIFE-CYCLE COST INFORMATION.

(a) LIMITATION PENDING SUBMISSION OF CERTIFICATION.—Not more than 85 percent of the amount specified in subsection (b) may be obligated until the Secretary of Defense submits to the congressional defense committees the estimated total life-cycle cost of the Theater High Altitude Area Defense (THAAD) program as required for programs in engineering and manufacturing development by section 232(d) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 10 U.S.C. 2431 note).

(b) FUNDS SUBJECT TO LIMITATION.—Subsection (a) applies to the amount authorized to be appropriated for fiscal year 2003 for the Missile Defense Agency for the Theater High Altitude Area Defense (THAAD) program.

SEC. 224. PROVISION OF INFORMATION ON FLIGHT TESTING OF GROUND-BASED MIDCOURSE NATIONAL MISSILE DEFENSE SYSTEM.

(a) INFORMATION TO BE FURNISHED TO CONGRESSIONAL COMMITTEES.—The Director of the Missile Defense Agency shall provide to the congressional defense committees information on the results of each flight test of the Ground-based Midcourse national missile defense system.

(b) CONTENT.—Information provided under subsection (a) on the results of a flight test shall include the following matters:

(1) A thorough discussion of the content and objectives of the test.

(2) For each such test objective, a statement regarding whether or not the objective was achieved.

(3) For any such test objective not achieved—

(A) a thorough discussion describing the reasons that the objective was not achieved; and

(B) a discussion of any plans for future tests to achieve that objective.

SEC. 225. REFERENCES TO NEW NAME FOR BALLISTIC MISSILE DEFENSE ORGANIZATION.

(a) IN GENERAL.—Any reference to the Ballistic Missile Defense Organization in any provision of law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Missile Defense Agency.

(b) CONFORMING AMENDMENTS.—(1) Title 10, United States Code, is amended as follows:

(A) Sections 203, 223, and 224 are each amended by striking "Ballistic Missile Defense Organization" each place it appears and inserting "Missile Defense Agency".

(B)(i) The heading for section 203 is amended to read as follows:

"§ 203. Director of Missile Defense Agency".

(ii) The item relating to section 203 in the table of sections at the beginning of subchapter II of chapter 8 is amended to read as follows:

"203. Director of Missile Defense Agency.".

(2) The National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) is amended as follows:

(A) Sections 232 (115 Stat. 1037; 10 U.S.C. 2431 note), 233 (115 Stat. 1039), and 235 (115 Stat. 1041) are each amended by striking "Ballistic Missile Defense Organization" each place it appears and inserting "Missile Defense Agency".

(B) The heading for section 232 is amended to read as follows:

"SEC. 232. PROGRAM ELEMENTS FOR MISSILE DEFENSE AGENCY.".

(3) Section 3132 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–455; 10 U.S.C. 2431 note) is amended—

(A) by striking "Ballistic Missile Defense Organization" each place it appears and inserting "Missile Defense Agency";

(B) in subsection (c), by striking "BMDO" and inserting "MDA"; and

(C) by amending the heading to read as follows:

"SEC. 3132. ENHANCED COOPERATION BETWEEN NATIONAL NUCLEAR SECURITY ADMINISTRATION AND MISSILE DEFENSE AGENCY.".

(4) The following provisions are each amended by striking "Ballistic Missile Defense Organization" each place it appears and inserting "Missile Defense Agency":

(A) Section 233 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 223 note).

(B) Section 243 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2431 note).

SEC. 226. ONE-YEAR LIMITATION ON USE OF FUNDS FOR NUCLEAR ARMED INTERCEPTORS.

(a) LIMITATION.—None of the funds described in subsection (b) may be obligated for research, development, test, or evaluation, or for procurement, of a nuclear armed interceptor as a component of a missile defense system.

(b) COVERED FUNDS.—Subsection (a) applies to funds made available to the Department of Defense pursuant to an authorization of appropriations in this title or title I or to the Department of Energy pursuant to an authorization of appropriations in title XXXI.

Subtitle D—Improved Management of Department of Defense Test and Evaluation Facilities

SEC. 231. DEPARTMENT OF DEFENSE TEST RESOURCE MANAGEMENT CENTER.

(a) ESTABLISHMENT.—(1) Subchapter I of chapter 8 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 196. Department of Defense Test Resource Management Center

"(a) ESTABLISHMENT AS DEPARTMENT OF DEFENSE FIELD ACTIVITY.—The Secretary of Defense shall establish within the Department of Defense under section 191 of this title a Department of Defense Test Resource Management Center (hereinafter in this section referred to as the 'Center'). The Secretary shall designate the Center as a Department of Defense Field Activity.

"(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. The Director, while so serving, holds the grade of lieutenant general or, in the case of an officer of the Navy, vice admiral.

"(2) There shall be a Deputy Director of the Center, selected by the Secretary from among senior civilian officers and employees of the Department of Defense who have substantial experience in the field of test and evaluation. The Deputy Director shall act for, and exercise the powers of, the Director when the Director is disabled or the position of Director is vacant.

"(c) DUTIES OF DIRECTOR.—The Director shall have the following duties:

"(1) To review and provide oversight of proposed Department of Defense budgets and expenditures for—

"(A) the test and evaluation facilities and resources of the Major Range and Test Facility Base of the Department of Defense; and

"(B) all other test and evaluation facilities and resources within and outside of the Department of Defense.

"(2) To complete and maintain the strategic plan required by subsection (d).

"(3) To review proposed budgets under subsection (e) and submit reports and certifications required by such subsection.

"(4) To administer the Central Test and Evaluation Investment Program and the program of the Department of Defense for test and evaluation science and technology.

"(d) STRATEGIC PLAN FOR DEPARTMENT OF DEFENSE TEST AND EVALUATION RESOURCES.—(1) Not less often than once every two fiscal years, the Director, in coordination with the Director of Operational Test and Evaluation, the Secretaries of the military departments, and the heads of Defense Agencies with test and evaluation responsibilities, shall complete a strategic plan reflecting the needs of the Department of Defense with respect to test and evaluation facilities and resources. Each such strategic plan shall cover the period of ten fiscal years beginning with the fiscal year in which the

plan is submitted under paragraph (3). The strategic plan shall be based on a comprehensive review of the test and evaluation requirements of the Department and the adequacy of the test and evaluation facilities and resources of the Department to meet those requirements.

"(2) The strategic plan shall include the following:

"(A) An assessment of the test and evaluation requirements of the Department for the period covered by the plan.

"(B) An identification of performance measures associated with the successful achievement of test and evaluation objectives for the period covered by the plan.

"(C) An assessment of the test and evaluation facilities and resources that will be needed to meet such requirements and satisfy such performance measures.

"(D) An assessment of the current state of the test and evaluation facilities and resources of the Department.

"(E) An itemization of acquisitions, upgrades, and improvements necessary to ensure that the test and evaluation facilities and resources of the Department are adequate to meet such requirements and satisfy such performance measures.

"(F) An assessment of the budgetary resources necessary to implement such acquisitions, upgrades, and improvements.

"(3) Upon completing a strategic plan under paragraph (1), the Director shall submit to the Secretary of Defense a report on that plan. The report shall include the plan and a description of the review on which the plan is based.

"(4) Not later than 60 days after the date on which the report is submitted under paragraph (3), the Secretary of Defense shall transmit to the Committee on Armed Services and Committee on Appropriations of the Senate and the Committee on Armed Services and Committee on Appropriations of the House of Representatives the report, together with any comments with respect to the report that the Secretary considers appropriate.

"(e) CERTIFICATION OF BUDGETS.—(1) The Secretary of Defense, acting through the Under Secretary of Defense (Comptroller), shall require that the Secretary of each military department, the Director of Operational Test and Evaluation, and the head of each Defense Agency with test and evaluation responsibilities transmit such Secretary's, Director's, or head's proposed budget for test and evaluation activities for a fiscal year to the Director of the Center for review under paragraph (2) before submitting such proposed budget to the Under Secretary of Defense (Comptroller).

"(2)(A) The Director of the Center shall review each proposed budget transmitted under paragraph (1) and shall, not later than January 31 of the year preceding the fiscal year for which such budgets are proposed, submit to the Secretary of Defense a report containing the comments of the Director with respect to all such proposed budgets, together with the certification of the Director as to whether such proposed budgets are adequate.

"(B) The Director shall also submit, together with such report and such certification, an additional certification as to whether such proposed budgets provide balanced support for such strategic plan.

"(3) The Secretary of Defense shall, not later than March 31 of the year preceding the fiscal year for which such budgets are pro-

posed, submit to Congress a report on those proposed budgets which the Director has not certified under paragraph (2)(A) to be adequate. The report shall include the following matters:

"(A) A discussion of the actions that the Secretary proposes to take, together with any recommended legislation that the Secretary considers appropriate, to address the inadequacy of the proposed budgets.

"(B) Any additional comments that the Secretary considers appropriate regarding the inadequacy of the proposed budgets.

"(f) SUPERVISION OF DIRECTOR BY UNDER SECRETARY.—The Director of the Center shall be subject to the supervision of the Under Secretary of Defense for Acquisition, Technology, and Logistics. The Director shall report directly to the Under Secretary, without the interposition of any other supervising official.

"(g) ADMINISTRATIVE SUPPORT OF CENTER.—The Secretary of Defense shall provide the Director with administrative support adequate for carrying out the Director's responsibilities under this section. The Secretary shall provide the support out of the headquarters activities of the Department or any other activities that the Secretary considers appropriate.

"(h) DEFINITION.—In this section, the term 'Major Range and Test Facility Base' means the test and evaluation facilities and resources that are designated by the Director of Operational Test and Evaluation as facilities and resources comprising the Major Range and Test Facility Base.".

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

"196. Department of Defense Test Resource Management Center.".

(b) FIRST STRATEGIC PLAN.—The first strategic plan required to be completed under subsection (d)(1) of section 196 of title 10, United States Code (as added by subsection (a)), shall be completed not later than six months after the date of the enactment of this Act.

(c) ADMINISTRATION OF CTEIP AND DOD T&E S&T PROGRAMS.—The duty of the Director of the Department of Defense Test Resource Management Center to administer the programs specified in subsection (c)(4) of section 196 of title 10, United States Code (as added by subsection (a)), shall take effect, and such programs shall be placed under control of such Director, upon the beginning of the first fiscal year that begins after the report on the first strategic plan referred to subsection (b) is transmitted to the congressional committees required by subsection (d)(4) of such section 196.

SEC. 232. OBJECTIVE FOR INSTITUTIONAL FUNDING OF TEST AND EVALUATION FACILITIES.

(a) FUNDING OBJECTIVE.—The Secretary of Defense shall establish the objective of ensuring that, by fiscal year 2006—

(1) the institutional and overhead costs of a facility or resource of a military department or Defense Agency that is within the Major Range and Test Facility Base are fully funded through the major test and evaluation investment accounts of the military department or Defense Agency, the account of the Central Test and Evaluation Investment Program of the Department of Defense, and other appropriate accounts of the military department or Defense Agency; and

(2) the charge to an element of the Department of Defense for a use by that element of such a facility or resource for testing under a particular program is not more than the amount equal to the direct costs of such use by that element.

(b) DEFINITIONS.—In this section:

(1) The term "Major Range and Test Facility Base" means the test and evaluation facilities and resources that are designated by the Director of Operational Test and Evaluation as facilities and resources comprising the Major Range and Test Facility Base.

(2) The term "institutional and overhead costs", with respect to a facility or resource within the Major Range Test and Facility Base—

(A) means the costs of maintaining, operating, upgrading, and modernizing the facility or resource; and

(B) does not include any incremental cost of operating the facility or resource that is attributable to the use of the facility or resource for testing under a particular program.

(3) The term "direct costs", with respect to a facility or resource within the Major Range and Test Facility Base, means those costs that are directly attributable to the use of the facility or resource for testing under a particular program, over and above the institutional and overhead costs with respect to the facility or resource.

SEC. 233. UNIFORM FINANCIAL MANAGEMENT SYSTEM FOR DEPARTMENT OF DEFENSE TEST AND EVALUATION FACILITIES.

(a) REQUIREMENT FOR SYSTEM.—The Secretary of Defense shall implement a single financial management and accounting system for all test and evaluation facilities of the Department of Defense. The Secretary shall implement such system as soon as practicable, and shall establish the objective that such system be implemented not later than September 30, 2006.

(b) SYSTEM FEATURES.—The system required by subsection (a) shall be designed to achieve, at a minimum, the following functional objectives:

(1) Enable managers within the Department of Defense to compare the costs of carrying out test and evaluation activities in the various facilities of the military departments.

(2) Enable the Secretary of Defense—

(A) to make prudent investment decisions; and

(B) to reduce the extent to which unnecessary costs of owning and operating test and evaluation facilities of the Department of Defense are incurred.

(3) Enable the Department of Defense to track the total cost of test and evaluation activities.

(4) Comply with the financial management architecture established by the Secretary.

SEC. 234. TEST AND EVALUATION WORKFORCE IMPROVEMENTS.

(a) REPORT ON CAPABILITIES.—Not later than March 15, 2003, the Under Secretary of Defense for Acquisition, Technology, and Logistics shall submit to Congress a report on the capabilities of the test and evaluation workforce of the Department of Defense. The Under Secretary shall consult with the Under Secretary of Defense

for Personnel and Readiness and the Director of Operational Test and Evaluation in preparing the report.

(b) REQUIREMENT FOR PLAN.—(1) The report shall contain a plan for taking the actions necessary to ensure that the test and evaluation workforce of the Department of Defense is of sufficient size and has the expertise necessary to timely and accurately identify issues of military suitability and effectiveness of Department of Defense systems through testing of the systems.

(2) The plan shall set forth objectives for the size, composition, and qualifications of the workforce, and shall specify the actions (including recruitment, retention, and training) and milestones for achieving the objectives.

(c) ADDITIONAL MATTERS.—The report shall also include the following matters:

(1) An assessment of the changing size and demographics of the test and evaluation workforce, including the impact of anticipated retirements among the most experienced personnel over the period of five fiscal years beginning with fiscal year 2003, together with a discussion of the management actions necessary to address the changes.

(2) An assessment of the anticipated workloads and responsibilities of the test and evaluation workforce over the period of ten fiscal years beginning with fiscal year 2003, together with the number and qualifications of military and civilian personnel necessary to carry out such workloads and responsibilities.

(3) The Under Secretary's specific plans for using the demonstration authority provided in section 4308 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C. 1701 note) and other special personnel management authorities of the Under Secretary to attract and retain qualified personnel in the test and evaluation workforce.

(4) Any recommended legislation or additional special authority that the Under Secretary considers appropriate for facilitating the recruitment and retention of qualified personnel for the test and evaluation workforce.

(5) Any other matters that are relevant to the capabilities of the test and evaluation workforce.

SEC. 235. COMPLIANCE WITH TESTING REQUIREMENTS.

(a) ANNUAL OT&E REPORT.—Subsection (g) of section 139 of title 10, United States Code, is amended by inserting after the fourth sentence the following: "The report for a fiscal year shall also include an assessment of the waivers of and deviations from requirements in test and evaluation master plans and other testing requirements that occurred during the fiscal year, any concerns raised by the waivers or deviations, and the actions that have been taken or are planned to be taken to address the concerns.".

(b) REORGANIZATION OF PROVISION.—Subsection (g) of such section, as amended by subsection (a), is further amended—

(1) by inserting "(1)" after "(g)";

(2) by designating the second sentence as paragraph (2);

(3) by designating the third sentence as paragraph (3);

(4) by designating the matter consisting of the fourth and fifth sentences as paragraph (4); and

(5) by designating the sixth sentence as paragraph (5).

Subtitle E—Other Matters

SEC. 241. PILOT PROGRAMS FOR REVITALIZING DEPARTMENT OF DEFENSE LABORATORIES.

(a) ADDITIONAL PILOT PROGRAM.—(1) The Secretary of Defense may carry out a pilot program to demonstrate improved efficiency in the performance of research, development, test, and evaluation functions of the Department of Defense.

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

(A) To use innovative methods of personnel management appropriate for ensuring that the selected laboratories can—

(i) employ and retain a workforce appropriately balanced between permanent and temporary personnel and among workers with appropriate levels of skills and experience; and

(ii) effectively shape workforces to ensure that the workforces have the necessary sets of skills and experience to fulfill their organizational missions.

(B) To develop or expand innovative methods of entering into and expanding cooperative relationships and arrangements with private sector organizations, educational institutions (including primary and secondary schools), and State and local governments to facilitate the training of a future scientific and technical workforce that will contribute significantly to the accomplishment of organizational missions.

(C) To develop or expand innovative methods of establishing cooperative relationships and arrangements with private sector organizations and educational institutions to promote the establishment of the technological industrial base in areas critical for Department of Defense technological requirements.

(D) To waive any restrictions not required by law that apply to the demonstration and implementation of methods for achieving the objectives set forth in subparagraphs (A), (B), and (C).

(3) The Secretary may carry out the pilot program under this subsection at each selected laboratory for a period of three years beginning not later than March 1, 2003.

(b) RELATIONSHIP TO FISCAL YEARS 1999 AND 2000 REVITALIZATION PILOT PROGRAMS.—The pilot program under this section is in addition to, but may be carried out in conjunction with, the fiscal years 1999 and 2000 revitalization pilot programs.

(c) REPORTS.—(1) Not later than January 1, 2003, the Secretary shall submit to Congress a report on the experience under the fiscal years 1999 and 2000 revitalization pilot programs in exercising the authorities provided for the administration of those programs. The report shall include a description of—

(A) barriers to the exercise of the authorities that have been encountered;

(B) the proposed solutions for overcoming the barriers; and

(C) the progress made in overcoming the barriers.

(2) Not later than September 1, 2003, the Secretary of Defense shall submit to Congress a report on the implementation of the pilot

program under subsection (a) and the fiscal years 1999 and 2000 revitalization pilot programs. The report shall include, for each such pilot program, the following:

(A) Each laboratory selected for the pilot program.

(B) To the extent practicable, a description of the innovative methods that are to be tested at each laboratory.

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

(3) Not later than 90 days after the expiration of the period for the participation of a laboratory in a pilot program referred to in paragraph (2), the Secretary of Defense shall submit to Congress a final report on the participation of that laboratory in the pilot program. The report shall include the following:

(A) A description of the methods tested.

(B) The results of the testing.

(C) The lessons learned.

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

(d) EXTENSION OF AUTHORITY FOR OTHER REVITALIZATION PILOT PROGRAMS.—(1) Section 246(a)(4) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1956; 10 U.S.C. 2358 note) is amended by striking "a period of three years" and inserting "up to six years".

(2) Section 245(a)(4) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 553; 10 U.S.C. 2358 note) is amended by striking "a period of three years" and inserting "up to five years".

(e) PARTNERSHIPS UNDER PILOT PROGRAM.—(1) The Secretary of Defense may authorize one or more laboratories and test centers participating in the pilot program under subsection (a) or in one of the fiscal years 1999 and 2000 revitalization pilot programs to enter into a cooperative arrangement (in this subsection referred to as a "public-private partnership") with entities in the private sector and institutions of higher education for the performance of work.

(2) A competitive process shall be used for the selection of entities outside the Government to participate in a public-private partnership.

(3)(A) Not more than one public-private partnership may be established as a limited liability company.

(B) An entity participating in a limited liability company as a party to a public-private partnership under the pilot program may contribute funds to the company, accept contributions of funds for the company, and provide materials, services, and use of facilities for research, technology, and infrastructure of the company, if it is determined under regulations prescribed by the Secretary of Defense that doing so will improve the efficiency of the performance of research, test, and evaluation functions of the Department of Defense.

(f) FISCAL YEARS 1999 AND 2000 REVITALIZATION PILOT PROGRAMS DEFINED.—In this section, the term "fiscal years 1999 and 2000 revitalization pilot programs" means—

(1) the pilot programs authorized by section 246 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1955; 10 U.S.C. 2358 note); and

(2) the pilot programs authorized by section 245 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 552; 10 U.S.C. 2358 note).

SEC. 242. TECHNOLOGY TRANSITION INITIATIVE.

(a) ESTABLISHMENT AND CONDUCT.—(1) Chapter 139 of title 10, United States Code, is amended by inserting after section 2359 the following new section:

"§ 2359a. Technology Transition Initiative

"(a) INITIATIVE REQUIRED.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall carry out an initiative, to be known as the Technology Transition Initiative (hereinafter in this section referred to as the 'Initiative'), to facilitate the rapid transition of new technologies from science and technology programs of the Department of Defense into acquisition programs of the Department for the production of such technologies.

"(b) OBJECTIVES.—The objectives of the Initiative are as follows:

"(1) To accelerate the introduction of new technologies into operational capabilities for the armed forces.

"(2) To successfully demonstrate new technologies in relevant environments.

"(c) MANAGEMENT OF INITIATIVE.—(1) The Under Secretary shall designate a senior official of the Department of Defense (hereinafter in this section referred to as the 'Manager') to manage the Initiative.

"(2) In managing the Initiative, the Manager shall—

"(A) report directly to the Under Secretary; and

"(B) obtain advice and other assistance from the Technology Transition Council established under subsection (g).

"(3) The Manager shall—

"(A) in consultation with the Technology Transition Council established under subsection (g), identify promising technology transition projects that can contribute to meeting Department of Defense technology goals and requirements;

"(B) identify potential sponsors in the Department of Defense to manage such projects; and

"(C) provide funds under subsection (f) for those projects that are selected under subsection (d)(2).

"(d) SELECTION OF PROJECTS.—(1) The science and technology and acquisition executives of each military department and each appropriate Defense Agency and the commanders of the unified and specified combatant commands may nominate technology transition projects for implementation under subsection (e) and shall submit a list of the projects so nominated to the Manager.

"(2) The Manager, in consultation with the Technology Transition Council established under subsection (g), shall select projects for implementation under subsection (e) from among the projects on the lists submitted under paragraph (1).

"(e) IMPLEMENTATION OF PROJECTS.—For each project selected under subsection (d)(2), the Manager shall designate a military department or Defense Agency to implement the project.

"(f) FUNDING OF PROJECTS.—(1) From funds made available to the Manager for the Initiative, the Manager shall, subject to paragraphs (2) and (3), provide funds for each project selected under

subsection (d)(2) in an amount determined by mutual agreement between the Manager and the acquisition executive of the military department or Defense Agency concerned.

"(2) The amount of funds provided to a project under paragraph (1) shall be not less than the amount equal to 50 percent of the total cost of the project.

"(3) A project shall not be provided funds under this subsection for more than four fiscal years.

"(g) TECHNOLOGY TRANSITION COUNCIL.—(1) There is a Technology Transition Council in the Department of Defense. The Council is composed of the following members:

"(A) The science and technology executive of each military department and each Defense Agency.

"(B) The acquisition executive of each military department.

"(C) The members of the Joint Requirements Oversight Council.

"(2) The duty of the Council shall be to provide advice and assistance to the Manager under this section.

"(3) The Council shall meet not less often than semiannually to carry out its duty under paragraph (2).

"(h) REPORT.—Not later than March 31 of each year, the Under 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 on the activities carried out by the Initiative during the preceding fiscal year.

"(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 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)).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2359 the following new item:

"2359a. Technology Transition Initiative.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Of the amount authorized to be appropriated under section 201(4), $25,430,000 may be available in program element 0603826D8Z for technology transition activities of the Department of Defense, including the Technology Transition Initiative required by section 2359a of title 10, United States Code (as added by subsection (a)), the Defense Acquisition Challenge Program required by section 2359b of title 10, United States Code (as added by section 243), and Quick Reaction Special Projects.

SEC. 243. DEFENSE ACQUISITION CHALLENGE PROGRAM.

(a) IN GENERAL.—Chapter 139 of title 10, United States Code, is amended by inserting after section 2359a (as added by section 242) the following new section:

"§ 2359b. Defense Acquisition Challenge Program

"(a) PROGRAM REQUIRED.—(1) The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall carry out a program to provide opportunities for

the increased introduction of innovative and cost-saving technology in acquisition programs of the Department of Defense.

"(2) The program, to be known as the Defense Acquisition Challenge Program (hereinafter in this section referred to as the 'Challenge Program'), shall provide any person or activity within or outside the Department of Defense with the opportunity to propose alternatives, to be known as challenge proposals, at the component, subsystem, or system level of an existing Department of Defense acquisition program that would result in improvements in performance, affordability, manufacturability, or operational capability of that acquisition program.

"(b) PANELS.—The Under Secretary shall establish one or more panels of highly qualified scientists and engineers (hereinafter in this section referred to as 'Panels') to provide preliminary evaluations of challenge proposals under subsection (c).

"(c) PRELIMINARY EVALUATION BY PANELS.—(1) Under procedures prescribed by the Under Secretary, a person or activity within or outside the Department of Defense may submit challenge proposals to a Panel, through the unsolicited proposal process or in response to a broad agency announcement.

"(2) The Under Secretary shall establish procedures pursuant to which appropriate officials of the Department of Defense may identify proposals submitted through the unsolicited proposal process as challenge proposals. The procedures shall provide for the expeditious referral of such proposals to a Panel for preliminary evaluation under this subsection.

"(3) The Under Secretary shall issue on an annual basis not less than one such broad agency announcement inviting interested parties to submit challenge proposals. Such announcements may also identify particular technology areas and acquisition programs that will be given priority in the evaluation of challenge proposals.

"(4) Under procedures established by the Under Secretary, a Panel shall carry out a preliminary evaluation of each challenge proposal submitted in response to a broad agency announcement, or submitted through the unsolicited proposal process and identified as a challenge proposal in accordance with paragraph (2), to determine each of the following:

"(A) Whether the challenge proposal has merit.

"(B) Whether the challenge proposal is likely to result in improvements in performance, affordability, manufacturability, or operational capability at the component, subsystem, or system level of an acquisition program.

"(C) Whether the challenge proposal could be implemented in the acquisition program rapidly, at an acceptable cost, and without unacceptable disruption to the acquisition program.

"(5) The Under Secretary may establish procedures to ensure that the Challenge Program does not become an avenue for the repetitive submission of proposals that have been previously reviewed and found not to have merit.

"(6) If a Panel determines that a challenge proposal satisfies each of the criteria specified in paragraph (4), the person or activity submitting that challenge proposal shall be provided an opportunity to submit such challenge proposal for a full review and evaluation under subsection (d).

"(d) FULL REVIEW AND EVALUATION.—(1) Under procedures prescribed by the Under Secretary, for each challenge proposal submitted for a full review and evaluation as provided in subsection (c)(6), the office carrying out the acquisition program to which the proposal relates shall, in consultation with the prime system contractor carrying out such program, conduct a full review and evaluation of the proposal.

"(2) The full review and evaluation shall, independent of the determination of a Panel under subsection (c)(4), determine each of the matters specified in subparagraphs (A), (B), and (C) of such subsection. The full review and evaluation shall also include—

"(A) an assessment of the cost of adopting the challenge proposal and implementing it in the acquisition program; and

"(B) consideration of any intellectual property issues associated with the challenge proposal.

"(e) ACTION UPON FAVORABLE FULL REVIEW AND EVALUATION.—(1) Under procedures prescribed by the Under Secretary, each challenge proposal determined under a full review and evaluation to satisfy each of the criteria specified in subsection (c)(4) with respect to an acquisition program shall be considered by the office carrying out the applicable acquisition program and the prime system contractor for incorporation into the acquisition program as a new technology insertion at the component, subsystem, or system level.

"(2) The Under Secretary shall encourage the adoption of each challenge proposal referred to in paragraph (1) by providing suitable incentives to the office carrying out the acquisition program and the prime system contractor carrying out such program.

"(f) ACCESS TO TECHNICAL RESOURCES.—(1) Under procedures established by the Under Secretary, the technical resources of the laboratories, research, development, and engineering centers, test and evaluation activities, and other elements of the Department may be called upon to support the activities of the Challenge Program.

"(2) Funds available to carry out this program may be used to compensate such laboratories, centers, activities, and elements for technical assistance provided to a Panel pursuant to paragraph (1).

"(g) ELIMINATION OF CONFLICTS OF INTEREST.—In carrying out each preliminary evaluation under subsection (c) and full review under subsection (d), the Under Secretary shall ensure the elimination of conflicts of interest.

"(h) LIMITATION ON USE OF FUNDS.—Funds made available for the Challenge Program may be used only for activities authorized by this section, and not for implementation of challenge proposals.

"(i) ANNUAL REPORT.—The Under Secretary shall submit an annual report on the Challenge Program to Congress. The report shall be submitted at the same time as the President submits the budget for a fiscal year to Congress under section 1105(a) of title 31, and shall cover the conduct of the Challenge Program for the preceding fiscal year. The report shall include the number and scope of challenge proposals submitted, preliminarily evaluated, subjected to full review and evaluation, and adopted. No report is required for a fiscal year in which the Challenge Program is not carried out.

"(j) TERMINATION OF AUTHORITY.—The Secretary may not carry out the Challenge Program under this section after September 30, 2007.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2359a (as added by section 242) the following new item:

"2359b. Defense Acquisition Challenge Program.".

SEC. 244. ENCOURAGEMENT OF SMALL BUSINESSES AND NONTRADITIONAL DEFENSE CONTRACTORS TO SUBMIT PROPOSALS POTENTIALLY BENEFICIAL FOR COMBATING TERRORISM.

(a) ESTABLISHMENT OF OUTREACH PROGRAM.—During fiscal years 2003, 2004, and 2005, the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall carry out a program of outreach to small businesses and nontraditional defense contractors for the purpose set forth in subsection (b).

(b) PURPOSE.—The purpose of the outreach program is to provide a process for reviewing and evaluating research activities of, and new technologies being developed by, small businesses and nontraditional defense contractors that have the potential for meeting a defense requirement or technology development goal of the Department of Defense that relates to the mission of the Department of Defense to combat terrorism.

(c) GOALS.—The goals of the outreach program are as follows:

(1) To increase efforts within the Department of Defense to survey and identify research activities and new technologies described in subsection (b).

(2) To provide the Under Secretary of Defense for Acquisition, Technology, and Logistics with a source of expert advice on new technologies for combating terrorism.

(3) To increase efforts to educate nontraditional defense contractors on Department of Defense acquisition processes, including regulations, procedures, funding opportunities, military needs and requirements, and technology transfer so as to encourage such contractors to submit proposals regarding research activities and new technologies described in subsection (b).

(4) To increase efforts to provide timely response by the Department of Defense to acquisition proposals (including unsolicited proposals) submitted to the Department by small businesses and by nontraditional defense contractors regarding research activities and new technologies described in subsection (b), including through the use of electronic transactions to facilitate the processing of such proposals.

(d) REVIEW PANEL.—(1) The Secretary shall appoint, under the outreach program, a panel for the review and evaluation of acquisition proposals described in subsection (c)(4).

(2) The panel shall be composed of qualified personnel from the military departments, relevant Defense Agencies, industry, academia, and other private sector organizations.

(3) Under procedures prescribed by the Under Secretary of Defense for Acquisition, Technology, and Logistics, a small business or nontraditional defense contractor may submit acquisition proposals for consideration under the program through the unsolicited proposal process or in response to a broad agency announcement. The Under Secretary shall issue on an annual basis not less than one such broad agency announcement inviting parties to submit proposals.

(4) Under procedures prescribed by the Under Secretary, the panel shall review and evaluate acquisition proposals selected by the panel. An acquisition proposal shall be selected for review and evaluation if the panel determines that the acquisition proposal may present a unique and valuable approach for meeting a defense requirement or technology development goal of the Department of Defense that relates to the mission of the Department of Defense to combat terrorism. In carrying out its duties under this paragraph, the panel may act through representatives designated by the panel.

(5) The panel shall—

(A) not later than 60 days after the date on which the panel receives an acquisition proposal described in subsection (c)(4), transmit to the small business or nontraditional defense contractor that submitted the proposal a notification regarding whether the acquisition proposal has been selected under paragraph (4) for review and evaluation;

(B) to the maximum extent practicable, complete the review and evaluation of each selected acquisition proposal not later than 120 days after the date on which such proposal is selected under paragraph (4); and

(C) after completing the review and evaluation of an acquisition proposal, transmit the results of that review and evaluation to the small business or nontraditional defense contractor that submitted the proposal.

(6) The Secretary shall ensure that the panel, in reviewing and evaluating acquisition proposals under this subsection, has the authority to obtain assistance, to a reasonable extent, from the appropriate technical resources of the laboratories, research, development, and engineering centers, test and evaluation activities, and other elements of the Department of Defense.

(7) If, after completing review and evaluation of an acquisition proposal, the panel determines that such proposal represents a unique and valuable approach for meeting a defense requirement or technology development goal of the Department of Defense that relates to the mission of the Department of Defense to combat terrorism, the panel shall submit that determination to the Under Secretary of Defense for Acquisition, Technology, and Logistics, together with any recommendations that the panel considers appropriate regarding such proposal.

(8) The Under Secretary of Defense for Acquisition, Technology, and Logistics may provide funding for acquisition proposals with respect to which the panel has submitted a determination under paragraph (7) through appropriate accounts of the military departments, Defense Agencies, the Small Business Innovative Research program, or any other acquisition program.

(9) The Secretary of Defense shall ensure that a member of the panel has no conflict of interest with respect to the review and evaluation of an acquisition proposal by the panel.

(e) NONTRADITIONAL DEFENSE CONTRACTOR DEFINED.—In this section, the term "nontraditional defense contractor" means an entity that has not, for at least one year prior to the date of the enactment of this Act, entered into, or performed with respect to, any contract described in paragraph (1) or (2) of section 845(e) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note).

SEC. 245. VEHICLE FUEL CELL PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program for the development of vehicle fuel cell technology.

(b) GOALS AND OBJECTIVES.—The goals and objectives of the program shall be as follows:

(1) To identify and support technological advances that are necessary for the development of fuel cell technology for use in vehicles of types to be used by the Department of Defense.

(2) To ensure that critical technology advances are shared among the various fuel cell technology programs within the Federal Government.

(3) To maximize the leverage of Federal funds that are used for the development of fuel cell technology.

(c) CONTENT OF PROGRAM.—The program shall include—

(1) development of vehicle propulsion technologies and fuel cell auxiliary power units, together with pilot projects for the demonstration of such technologies, as appropriate; and

(2) development of technologies necessary to address critical issues with respect to vehicle fuel cells, such as issues relating to hydrogen storage and hydrogen fuel infrastructure.

(d) COOPERATION WITH INDUSTRY.—(1) The Secretary shall carry out the program in cooperation with companies selected by the Secretary. The Secretary shall select such companies from among—

(A) companies in the automobile and truck manufacturing industry;

(B) companies in the business of supplying systems and components to that industry; and

(C) companies in any other industries that the Secretary considers appropriate.

(2) The Secretary may enter into a cooperative agreement with one or more companies selected under paragraph (1) to establish an entity for carrying out activities required by subsection (c).

(3) The Secretary shall ensure that companies referred to in paragraph (1) collectively contribute, in cash or in kind, not less than one-half of the total cost of carrying out the program under this section.

(e) COORDINATION WITH OTHER FEDERAL AGENCIES.—The Secretary shall carry out the program using a coordinating mechanism for sharing information and resources with the Department of Energy and other Federal agencies.

(f) INITIAL FUNDING.—Of the funds authorized to be appropriated by section 201(4), $10,000,000 shall be available for the program required by this section.

SEC. 246. DEFENSE NANOTECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Defense shall carry out a defense nanotechnology research and development program.

(b) PURPOSES.—The purposes of the program are as follows:

(1) To ensure United States global superiority in nanotechnology necessary for meeting national security requirements.

(2) To coordinate all nanoscale research and development within the Department of Defense, and to provide for interagency cooperation and collaboration on nanoscale research and development between the Department of Defense and other

departments and agencies of the United States that are involved in nanoscale research and development.

(3) To develop and manage a portfolio of fundamental and applied nanoscience and engineering research initiatives that is stable, consistent, and balanced across scientific disciplines.

(4) To accelerate the transition and deployment of technologies and concepts derived from nanoscale research and development into the Armed Forces, and to establish policies, procedures, and standards for measuring the success of such efforts.

(5) To collect, synthesize, and disseminate critical information on nanoscale research and development.

(c) ADMINISTRATION.—In carrying out the program, the Secretary shall act through the Director of Defense Research and Engineering, who shall supervise the planning, management, and coordination of the program. The Director, in consultation with the Secretaries of the military departments and the heads of participating Defense Agencies and other departments and agencies of the United States, shall—

(1) prescribe a set of long-term challenges and a set of specific technical goals for the program;

(2) develop a coordinated and integrated research and investment plan for meeting the long-term challenges and achieving the specific technical goals that builds upon the Department's increased investment in nanotechnology research and development and the National Nanotechnology Initiative; and

(3) develop memoranda of agreement, joint funding agreements, and other cooperative arrangements necessary for meeting the long-term challenges and achieving the specific technical goals.

(d) ANNUAL REPORT.—Not later than March 1 of each of 2004, 2005, 2006, and 2007, the Director of Defense Research and Engineering shall submit to the congressional defense committees a report on the program. The report shall contain the following matters:

(1) A review of—

(A) the long-term challenges and specific technical goals of the program; and

(B) the progress made toward meeting those challenges and achieving those goals.

(2) An assessment of current and proposed funding levels, including the adequacy of such funding levels to support program activities.

(3) A review of the coordination of activities within the Department of Defense, with other departments and agencies, and with the National Nanotechnology Initiative.

(4) An assessment of the extent to which effective technology transition paths have been established as a result of activities under the program.

(5) Recommendations for additional program activities to meet emerging national security requirements.

SEC. 247. ACTIVITIES OF THE DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

Subsection (c) of section 257 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C. 2358 note) is amended—

(1) in paragraph (1), by striking "research grants" and inserting "grants for research and instrumentation to support such research"; and

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

"(3) Any other activities that are determined necessary to further the achievement of the objectives of the program.".

SEC. 248. FOUR-YEAR EXTENSION OF AUTHORITY OF DARPA TO AWARD PRIZES FOR ADVANCED TECHNOLOGY ACHIEVEMENTS AND ADDITIONAL AUTHORITY OF MILITARY DEPARTMENTS AND DEFENSE AGENCIES TO AWARD PRIZES FOR ACHIEVEMENTS IN PROMOTING EDUCATION.

(a) EXTENSION.—Section 2374a(f) of title 10, United States Code, is amended by striking "September 30, 2003" and inserting "September 30, 2007".

(b) REPORT ON ADMINISTRATION OF PROGRAM.—(1) Not later than December 31, 2002, the Director of the Defense Advanced Research Projects Agency shall submit to the congressional defense committees a report on the proposal of the Director for the administration of the program to award prizes for advanced technology achievements under section 2374a of title 10, United States Code.

(2) The report shall include the following:

(A) The results of consultations by the Director with officials of the military departments regarding the technology areas for which competitive prizes would be established.

(B) A description of the proposed goals of the competitions that would be established under the program, including the technology areas to be promoted by the competitions and the relationship of such areas to military missions of the Department of Defense.

(C) The proposed rules for the competitions that would be established under the program and a description of the proposed management of the competitions.

(D) A description of the manner in which the amounts of the cash prizes awarded and claimed under the program would be allocated among the accounts of the Defense Advanced Research Projects Agency for recording as obligations and expenditures.

(E) For each competition that would be established under the program, a statement of the reasons why the competition is a preferable means of promoting basic, advanced, and applied research, advanced technology development, or prototype projects, rather than other means of promoting such activities, including contracts, grants, cooperative agreements, and other transactions.

(c) ADDITIONAL AUTHORITY TO AWARD CASH PRIZES FOR PROMOTING EDUCATION IN SUPPORT OF DOD MISSIONS.—(1) Chapter 139 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2374b. Prizes for achievements in promoting science, mathematics, engineering, or technology education

"(a) AUTHORITY.—The Secretaries of the military departments and the heads of defense agencies may each carry out a program to award cash prizes in recognition of outstanding achievements that are designed to promote science, mathematics, engineering, or tech-

nology education in support of the missions of the Department of Defense.

"(b) COMPETITION REQUIREMENTS.—Each program under subsection (a) shall use a competitive process for the selection of recipients of cash prizes.

"(c) LIMITATION.—For any single program under subsection (a), the total amount made available for award of cash prizes in a fiscal year may not exceed $1,000,000.

"(d) RELATIONSHIP TO OTHER AUTHORITY.—The program under subsection (a) may be carried out in conjunction with or in addition to the exercise of any other authority to acquire, support, or stimulate basic and applied research, advanced technology development, or prototype development projects.

"(e) ANNUAL REPORT.—Promptly after the end of each fiscal year, each Secretary of a military department and each head of a defense agency carrying out a program under subsection (a) shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the administration of that program for that fiscal year.

"(f) PERIOD OF AUTHORITY.—The authority to award prizes under subsection (a) shall terminate at the end of September 30, 2006.".

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

"2374b. Prizes for achievements in promoting science, mathematics, engineering, or technology education.".

SEC. 249. PLAN FOR FIVE-YEAR PROGRAM FOR ENHANCEMENT OF MEASUREMENT AND SIGNATURES INTELLIGENCE CAPABILITIES OF THE UNITED STATES THROUGH INCORPORATION OF RESULTS OF BASIC RESEARCH ON SENSORS.

(a) CONGRESSIONAL FINDING.—Congress finds that the national interest will be served by the rapid exploitation of basic research on sensors for purposes of enhancing the measurement and signatures intelligence (MASINT) capabilities of the United States.

(b) PLAN FOR RESEARCH PROGRAM.—(1) Not later than March 31, 2003, the Secretary of Defense shall submit to Congress a plan for a five-year program of research intended to provide for the incorporation of the results of basic research on sensors into the measurement and signatures intelligence systems of the United States, to the extent the results of such research is applicable to such systems. Such program shall include the review and assessment of basic research on sensors for purpose of such incorporation, including both basic research on sensors conducted by the Government and basic research on sensors conducted by non-governmental entities.

(2) The plan submitted under paragraph (1) shall provide that the activities to be carried out under the program provided for in the plan shall be carried out by a consortium consisting of such governmental and non-governmental entities as the Secretary considers appropriate for purposes of incorporating the broadest practicable range of sensor capabilities into the systems referred to in paragraph (1). The consortium may include national laboratories, universities, and private sector entities.

(3) The plan shall include a proposal for the funding of activities under the five-year program provided for in the plan, including

cost-sharing by non-governmental participants in the consortium under paragraph (2).

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Grant to National Guard Youth Foundation.

Subtitle B—Environmental Provisions

Sec. 311. Enhancement of authority on cooperative agreements for environmental purposes.
Sec. 312. Single point of contact for policy and budgeting issues regarding unexploded ordnance, discarded military munitions, and munitions constituents.
Sec. 313. Authority to carry out construction projects for environmental responses.
Sec. 314. Procurement of environmentally preferable procurement items.
Sec. 315. Incidental taking of migratory birds during military readiness activities.

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 321. Authority for each military department to provide base operating support to Fisher Houses.
Sec. 322. Use of commissary stores and MWR retail facilities by members of National Guard serving in national emergency.
Sec. 323. Uniform funding and management of morale, welfare, and recreation programs.
Sec. 324. Rebate agreements under the special supplemental food program.

Subtitle D—Workplace and Depot Issues

Sec. 331. Notification requirements in connection with required studies for conversion of commercial or industrial type functions to contractor performance.
Sec. 332. Temporary authority for contractor performance of security-guard functions to meet increased requirements since September 11, 2001.
Sec. 333. Repeal of obsolete provision regarding depot-level maintenance and repair workloads that were performed at closed or realigned military installations.
Sec. 334. Exclusion of certain expenditures from limitation on private sector performance of depot-level maintenance.

Subtitle E—Defense Dependents Education

Sec. 341. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 342. Housing benefits for unaccompanied teachers required to live at Guantanamo Bay Naval Station, Cuba.
Sec. 343. Options for funding dependent summer school programs.
Sec. 344. Impact aid eligibility for local educational agencies affected by privatization of military housing.
Sec. 345. Comptroller General study of adequacy of compensation provided for teachers in the Department of Defense Overseas Dependents' Schools.

Subtitle F—Information Technology

Sec. 351. Annual submission of information regarding information technology capital assets.
Sec. 352. Policy regarding acquisition of information assurance and information assurance-enabled information technology products.
Sec. 353. Installation and connection policy and procedures regarding Defense Switch Network.

Subtitle G—Other Matters

Sec. 361. Distribution of monthly reports on allocation of funds within operation and maintenance budget subactivities.
Sec. 362. Continuation of arsenal support program initiative.
Sec. 363. Extension of work safety demonstration program.
Sec. 364. Condition on authority of Defense Security Service to impose fees on fee-for-service basis.
Sec. 365. Logistics support and services for weapon systems contractors.
Sec. 366. Training range sustainment plan, Global Status of Resources and Training System, and training range inventory.
Sec. 367. Engineering study and environmental analysis of road modifications in vicinity of Fort Belvoir, Virginia.
Sec. 368. Reauthorization of warranty claims recovery pilot program.
Sec. 369. Expanded eligibility for loan, gift, or exchange of documents, historical artifacts, and condemned or obsolete combat materiel.

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2003 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $23,922,251,000.

(2) For the Navy, $29,264,939,000.

(3) For the Marine Corps, $3,559,636,000.

(4) For the Air Force, $27,419,488,000.

(5) For Defense-wide activities, $14,145,310,000.

(6) For the Army Reserve, $1,985,110,000.

(7) For the Naval Reserve, $1,233,759,000.

(8) For the Marine Corps Reserve, $189,532,000.

(9) For the Air Force Reserve, $2,160,604,000.

(10) For the Army National Guard, $4,155,067,000.

(11) For the Air National Guard, $4,104,810,000.

(12) For the Defense Inspector General, $155,165,000.

(13) For the United States Court of Appeals for the Armed Forces, $9,614,000.

(14) For Environmental Restoration, Army, $395,900,000.

(15) For Environmental Restoration, Navy, $256,948,000.

(16) For Environmental Restoration, Air Force, $389,773,000.

(17) For Environmental Restoration, Defense-wide, $23,498,000.

(18) For Environmental Restoration, Formerly Used Defense Sites, $252,102,000.

(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $58,400,000.

(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $859,907,000.

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

(22) For Defense Health Program, $14,123,038,000.

(23) For Cooperative Threat Reduction programs, $416,700,000.

(24) For Support for International Sporting Competitions, Defense, $19,000,000.

(25) For overseas contingency operations transfer fund, $17,844,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2003 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $387,156,000.

(2) For the National Defense Sealift Fund, $934,129,000.

(3) For the Defense Commissary Agency Working Capital Fund, $969,200,000.

(4) For the Pentagon Reservation Maintenance Revolving Fund, $328,000,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 2003 from the Armed Forces Retirement Home Trust Fund the sum of $69,921,000 for the operation of the Armed Forces Retirement Home.

SEC. 304. GRANT TO NATIONAL GUARD YOUTH FOUNDATION.

Of the amount authorized to be appropriated by section 301(5) for administrative and service-wide activities for civil-military programs, the Secretary of Defense may use up to $2,500,000 to make a grant to the National Guard Youth Foundation to support the efforts of the Foundation to mobilize individuals, groups, and organizations to build and strengthen the character and competence of youth in the United States.

Subtitle B—Environmental Provisions

SEC. 311. ENHANCEMENT OF AUTHORITY ON COOPERATIVE AGREEMENTS FOR ENVIRONMENTAL PURPOSES.

Section 2701(d) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking "paragraph (2)" and inserting "paragraph (3)";

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(3) by inserting after paragraph (1) the following new paragraph (2):

"(2) CROSS-FISCAL YEAR AGREEMENTS.—An agreement with an agency under paragraph (1) may be for a period that begins in one fiscal year and ends in another fiscal year so long as the period of the agreement does not exceed two years.".

SEC. 312. SINGLE POINT OF CONTACT FOR POLICY AND BUDGETING ISSUES REGARDING UNEXPLODED ORDNANCE, DISCARDED MILITARY MUNITIONS, AND MUNITIONS CONSTITUENTS.

Section 2701 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(k) UXO PROGRAM MANAGER.—(1) The Secretary of Defense shall establish a program manager who shall serve as the single point of contact in the Department of Defense for policy and budgeting issues involving the characterization, remediation, and man-

agement of explosive and related risks with respect to unexploded ordnance, discarded military munitions, and munitions constituents at defense sites (as such terms are defined in section 2710 of this title) that pose a threat to human health or safety.

"(2) The authority to establish the program manager may be delegated to the Secretary of a military department, who may delegate the authority to the Under Secretary of that military department. The authority may not be further delegated.

"(3) The program manager may establish an independent advisory and review panel that may include representatives of the National Academy of Sciences, nongovernmental organizations with expertise regarding unexploded ordnance, discarded military munitions, or munitions constituents, the Environmental Protection Agency, States (as defined in section 2710 of this title), and tribal governments. If established, the panel shall report annually to Congress on progress made by the Department of Defense to address unexploded ordnance, discarded military munitions, or munitions constituents at defense sites and make such recommendations as the panel considers appropriate.".

SEC. 313. AUTHORITY TO CARRY OUT CONSTRUCTION PROJECTS FOR ENVIRONMENTAL RESPONSES.

(a) RESTATEMENT AND MODIFICATION OF AUTHORITY.—Chapter 160 of title 10, United States Code, is amended—

(1) by redesignating section 2707 as section 2700 and transferring such section to appear immediately after the table of sections at the beginning of such chapter; and

(2) by inserting after section 2706 the following new section 2707:

"§ 2707. Environmental restoration projects for environmental responses

"(a) ENVIRONMENTAL RESTORATION PROJECTS AUTHORIZED.—The Secretary of Defense or the Secretary of a military department may carry out an environmental restoration project if that Secretary determines that the project is necessary to carry out a response under this chapter or CERCLA.

"(b) TREATMENT OF PROJECT.—Any construction, development, conversion, or extension of a structure, and any installation of equipment, that is included in an environmental restoration project under this section may not be considered military construction (as that term is defined in section 2801(a) of this title).

"(c) SOURCE OF FUNDS.—Funds authorized for deposit in an account established by section 2703(a) of this title shall be the only source of funds to conduct an environmental restoration project under this section.

"(d) ENVIRONMENTAL RESTORATION PROJECT DEFINED.—In this section, the term 'environmental restoration project' includes any construction, development, conversion, or extension of a structure, or installation of equipment, in direct support of a response.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 2810 of such title is repealed.

(c) CONFORMING AMENDMENTS.—Chapter 160 of such title is further amended—

(1) in section 2700 (as redesignated by subsection (a))—

(A) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(B) by inserting after "In this chapter:" the following new paragraph:

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

(2) in section 2701(a)(2), by striking "the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (hereinafter in this chapter referred to as 'CERCLA') (42 U.S.C. 9601 et seq.)" and inserting "CERCLA".

(d) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 160 of such title is amended—

(A) by inserting before the item relating to section 2701 the following new item:

"2700. Definitions."; and

(B) by striking the item relating to section 2707 and inserting the following new item:

"2707. Environmental restoration projects for environmental responses.".

(2) The table of sections at the beginning of chapter 169 of such title is amended by striking the item relating to section 2810.

SEC. 314. PROCUREMENT OF ENVIRONMENTALLY PREFERABLE PROCUREMENT ITEMS.

(a) TRACKING SYSTEM.—The Secretary of Defense shall develop and implement an effective and efficient tracking system to identify the extent to which the Defense Logistics Agency procures environmentally preferable procurement items or procurement items made with recovered material. The system shall provide for the separate tracking, to the maximum extent practicable, of the procurement of each category of procurement items that, as of the date of the enactment of this Act, has been determined to be environmentally preferable or made with recovered material.

(b) ASSESSMENT OF TRAINING AND EDUCATION.—The Secretary of Defense shall assess the need to establish a program, or enhance existing programs, for training and educating Department of Defense procurement officials to ensure that they are aware of any Department requirements, preferences, or goals for the procurement of environmentally preferable procurement items or procurement items made with recovered material.

(c) REPORTING REQUIREMENT.—Not later than March 1, 2004, and each March 1 thereafter through 2007, 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 detailing the results obtained from the tracking system developed under subsection (a).

(d) RELATION TO OTHER LAWS.—Nothing in this section shall be construed to alter the requirements of the Solid Waste Disposal Act (40 U.S.C. 6901 et seq.).

(e) DEFINITIONS.—In this section:

(1) The term "environmentally preferable", in the case of a procurement item, means that the item has a lesser or reduced effect on human health and the environment when compared with competing products that serve the same purpose. The comparison may consider raw materials acquisition, production,

manufacturing, packaging, distribution, reuse, operation, maintenance, or disposal of the product.

(2) The terms "procurement item" and "recovered material" have the meanings given such terms in section 1004 of the Solid Waste Disposal Act (40 U.S.C. 6903).

SEC. 315. INCIDENTAL TAKING OF MIGRATORY BIRDS DURING MILITARY READINESS ACTIVITIES.

(a) INTERIM AUTHORITY FOR INCIDENTAL TAKINGS.—During the period described in subsection (c), section 2 of the Migratory Bird Treaty Act (16 U.S.C. 703) shall not apply to the incidental taking of a migratory bird by a member of the Armed Forces during a military readiness activity authorized by the Secretary of Defense or the Secretary of the military department concerned.

(b) IDENTIFICATION OF MEASURES TO MINIMIZE IMPACT OF ACTIVITIES.—During the periods described in subsections (c) and (d), the Secretary of Defense shall, in consultation with the Secretary of the Interior, identify measures—

(1) to minimize and mitigate, to the extent practicable, any adverse impacts of authorized military readiness activities on affected species of migratory birds; and

(2) to monitor the impacts of such military readiness activities on affected species of migratory birds.

(c) PERIOD OF APPLICATION FOR INTERIM AUTHORITY.—The period described in this subsection is the period beginning on the date of the enactment of this Act and ending on the date on which the Secretary of the Interior publishes in the Federal Register a notice that—

(1) regulations authorizing the incidental taking of migratory birds by members of the Armed Forces have been prescribed in accordance with the requirements of subsection (d);

(2) all legal challenges to the regulations and to the manner of their promulgation (if any) have been exhausted as provided in subsection (e); and

(3) the regulations have taken effect.

(d) INCIDENTAL TAKINGS AFTER INTERIM PERIOD.—(1) Not later than the expiration of the one-year period beginning on the date of the enactment of this Act, the Secretary of the Interior shall exercise the authority of that Secretary under section 3(a) of the Migratory Bird Treaty Act (16 U.S.C. 704(a)) to prescribe regulations to exempt the Armed Forces for the incidental taking of migratory birds during military readiness activities authorized by the Secretary of Defense or the Secretary of the military department concerned.

(2) The Secretary of the Interior shall exercise authority under paragraph (1) with the concurrence of the Secretary of Defense.

(e) LIMITATION ON JUDICIAL REVIEW.—An action seeking judicial review of regulations prescribed pursuant to this section or of the manner of their promulgation must be filed in the appropriate Federal court by not later than the expiration of the 120-day period beginning on the date on which such regulations are published in the Federal Register. Upon the expiration of such period and the exhaustion of any legal challenges to the regulations pursuant to any action filed in such period, there shall be no further judicial review of such regulations or of the manner of their promulgation.

(f) MILITARY READINESS ACTIVITY.—(1) In this section the term "military readiness activity" includes—

(A) all training and operations of the Armed Forces that relate to combat; and

(B) the adequate and realistic testing of military equipment, vehicles, weapons, and sensors for proper operation and suitability for combat use.

(2) The term does not include—

(A) the routine operation of installation operating support functions, such as administrative offices, military exchanges, commissaries, water treatment facilities, storage facilities, schools, housing, motor pools, laundries, morale, welfare, and recreation activities, shops, and mess halls;

(B) the operation of industrial activities; or

(C) the construction or demolition of facilities used for a purpose described in subparagraph (A) or (B).

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 321. AUTHORITY FOR EACH MILITARY DEPARTMENT TO PROVIDE BASE OPERATING SUPPORT TO FISHER HOUSES.

Section 2493(f) of title 10, United States Code, is amended to read as follows:

"(f) BASE OPERATING SUPPORT.—The Secretary of a military department may provide base operating support for Fisher Houses associated with health care facilities of that military department.".

SEC. 322. USE OF COMMISSARY STORES AND MWR RETAIL FACILITIES BY MEMBERS OF NATIONAL GUARD SERVING IN NATIONAL EMERGENCY.

(a) ADDITIONAL BASIS FOR AUTHORIZED USE.—Section 1063a of title 10, United States Code, is amended—

(1) in subsection (a), by inserting "or national emergency" after "federally declared disaster"; and

(2) in subsection (c), by adding at the end the following new paragraph:

"(3) NATIONAL EMERGENCY.—The term 'national emergency' means a national emergency declared by the President or Congress.".

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster or national emergency".

(2) The table of sections at the beginning of chapter 54 of such title is amended by striking the item relating to section 1063a and inserting the following new item:

"1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster or national emergency.".

SEC. 323. UNIFORM FUNDING AND MANAGEMENT OF MORALE, WELFARE, AND RECREATION PROGRAMS.

(a) IN GENERAL.—Chapter 147 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2494. Uniform funding and management of morale, welfare, and recreation programs

"(a) AUTHORITY FOR UNIFORM FUNDING AND MANAGEMENT.—Under regulations prescribed by the Secretary of Defense, funds appropriated to the Department of Defense and available for morale, welfare, and recreation programs may be treated as nonappropriated funds and expended in accordance with laws applicable to the expenditures of nonappropriated funds. When made available for morale, welfare, and recreation programs under such regulations, appropriated funds shall be considered to be nonappropriated funds for all purposes and shall remain available until expended.

"(b) CONDITIONS ON AVAILABILITY.—Funds appropriated to the Department of Defense may be made available to support a morale, welfare, or recreation program only if the program is authorized to receive appropriated fund support and only in the amounts the program is authorized to receive.

"(c) CONVERSION OF EMPLOYMENT POSITIONS.—(1) The Secretary of Defense may identify positions of employees in morale, welfare, and recreation programs within the Department of Defense who are paid with appropriated funds whose status may be converted from the status of an employee paid with appropriated funds to the status of an employee of a nonappropriated fund instrumentality.

"(2) The status of an employee in a position identified by the Secretary under paragraph (1) may, with the consent of the employee, be converted to the status of an employee of a nonappropriated fund instrumentality. An employee who does not consent to the conversion may not be removed from the position because of the failure to provide such consent.

"(3) The conversion of an employee from the status of an employee paid by appropriated funds to the status of an employee of a nonappropriated fund instrumentality shall be without a break in service for the concerned employee. The conversion shall not entitle an employee to severance pay, back pay or separation pay under subchapter IX of chapter 55 of title 5, or be considered an involuntary separation or other adverse personnel action entitling an employee to any right or benefit under such title or any other provision of law or regulation.

"(4) In this subsection, the term 'an employee of a nonappropriated fund instrumentality' means an employee described in section 2105(c) of title 5.".

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

"2494. Uniform funding and management of morale, welfare, and recreation programs.".

SEC. 324. REBATE AGREEMENTS UNDER THE SPECIAL SUPPLEMENTAL FOOD PROGRAM.

(a) APPLICABILITY TO NAVY EXCHANGE MARKETS.—Paragraph (1)(A) of section 1060a(e) of title 10, United States Code, is amended by inserting "or Navy Exchange Markets" after "commissary stores".

(b) INCREASED MAXIMUM PERIOD OF AGREEMENT.—Paragraph (3) of such section is amended by striking "subsection may not ex-

ceed one year" in the first sentence and inserting "subsection, including any period of extension of the contract by modification of the contract, exercise of an option, or other cause, may not exceed three years".

Subtitle D—Workplace and Depot Issues

SEC. 331. NOTIFICATION REQUIREMENTS IN CONNECTION WITH REQUIRED STUDIES FOR CONVERSION OF COMMERCIAL OR INDUSTRIAL TYPE FUNCTIONS TO CONTRACTOR PERFORMANCE.

Subsection (c) of section 2461 of title 10, United States Code, is amended to read as follows:

"(c) SUBMISSION OF ANALYSIS RESULTS.—(1) Upon the completion of an analysis of a commercial or industrial type function described in subsection (a) for possible change to performance by the private sector, the Secretary of Defense shall submit to Congress a report containing the results of the analysis, including the results of the examinations required by subsection (b)(3).

"(2) The report shall also contain the following:

"(A) The date when the analysis of the function was commenced.

"(B) The Secretary's certification that the Government calculation of the cost of performance of the function by Department of Defense civilian employees is based on an estimate of the most cost effective manner for performance of the function by Department of Defense civilian employees.

"(C) The number of Department of Defense civilian employees who were performing the function when the analysis was commenced and the number of such employees whose employment was or will be terminated or otherwise affected by changing to performance of the function by the private sector or by implementation of the most efficient organization of the function.

"(D) The Secretary's certification that the factors considered in the examinations performed under subsection (b)(3), and in the making of the decision regarding changing to performance of the function by the private sector or retaining performance in the most efficient organization of the function, did not include any predetermined personnel constraint or limitation in terms of man years, end strength, full-time equivalent positions, or maximum number of employees.

"(E) A statement of the potential economic effect of implementing the decision regarding changing to performance of the function by the private sector or retaining performance in the most efficient organization of the function on each affected local community, as determined in the examination under subsection (b)(3)(B)(ii).

"(F) A schedule for completing the change to performance of the function by the private sector or implementing the most efficient organization of the function.

"(G) In the case of a commercial or industrial type function performed at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an Army ammunition plant, a description of the effect that the manner of

performance of the function, and administration of the resulting contract if any, will have on the overhead costs of the center or ammunition plant, as the case may be.

"(H) The Secretary's certification that the entire analysis is available for examination.

"(3)(A) If a decision is made to change the commercial or industrial type function that was the subject of the analysis to performance by the private sector, the change of the function to contractor performance may not begin until after the submission of the report required by paragraph (1).

"(B) Notwithstanding subparagraph (A), in the case of a commercial or industrial type function performed at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an Army ammunition plant, the change of the function to contractor performance may not begin until at least 60 days after the submission of the report.".

SEC. 332. TEMPORARY AUTHORITY FOR CONTRACTOR PERFORMANCE OF SECURITY-GUARD FUNCTIONS TO MEET INCREASED REQUIREMENTS SINCE SEPTEMBER 11, 2001.

(a) CONTRACT AUTHORITY.—The Secretary of Defense or the Secretary of a military department may enter into a contract for any increased performance of security-guard functions at a military installation or facility under the jurisdiction of the Secretary undertaken in response to the terrorist attacks on the United States on September 11, 2001, and may waive the prohibition under section 2465(a) of title 10, United States Code, with respect to such contract, if—

(1) without the contract, members of the Armed Forces are or would be used to perform the increased security-guard functions; and

(2) the Secretary concerned determines that—

(A) the recruiting and training standards for the personnel who are to perform the security-guard functions at the installation or facility under the contract are comparable to the recruiting and training standards for the personnel of the Department of Defense who perform security-guard functions at military installations and facilities under the jurisdiction of the Secretary;

(B) the contractor personnel performing such functions under the contract will be effectively supervised, reviewed, and evaluated; and

(C) the performance of such functions by the contractor personnel will not result in a reduction in the security of the installation or facility.

(b) INCREASED PERFORMANCE DEFINED.—In this section, the term "increased performance", with respect to security-guard functions at a military installation or facility, means—

(1) in the case of an installation or facility where no security-guard functions were performed as of September 10, 2001, the entire scope or extent of the performance of security-guard functions at the installation or facility after such date; and

(2) in the case of an installation or facility where security-guard functions were performed within a lesser scope of requirements or to a lesser extent as of September 10, 2001, than after such date, the increment of the performance of security-guard

functions at the installation or facility that exceeds such lesser scope of requirements or extent of performance.

(c) EXPIRATION OF AUTHORITY.—The authority for contractor performance of security-guard functions under this section shall terminate at the end of the three-year period beginning on the date of the enactment of this Act. The term of any contract entered into using the authority provided by this section may not extend beyond the end of such period.

(d) NEEDS ASSESSMENT AND PLAN.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall—

(1) identify any requirements for the performance of security-guard functions at military installations and facilities under the jurisdiction of the Secretary or the Secretary of a military department that are expected to continue for more than three years after the date of the enactment of this Act and, in the absence of further action by the Secretary or Congress, would otherwise be performed by members of the Armed Forces; and

(2) submit to the congressional defense committees a plan for meeting those requirements on a long-term basis.

SEC. 333. REPEAL OF OBSOLETE PROVISION REGARDING DEPOT-LEVEL MAINTENANCE AND REPAIR WORKLOADS THAT WERE PERFORMED AT CLOSED OR REALIGNED MILITARY INSTALLATIONS.

(a) REPEAL.—Section 2469a of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 146 of such title is amended by striking the item relating to section 2469a.

SEC. 334. EXCLUSION OF CERTAIN EXPENDITURES FROM LIMITATION ON PRIVATE SECTOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.

Section 2474(f) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking "Amounts expended out of funds described in paragraph (2) for the performance of a depot-level maintenance and repair workload by non-Federal Government personnel at a Center of Industrial and Technical Excellence" and inserting "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";

(2) by striking paragraph (2); and

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

Subtitle E—Defense Dependents Education

SEC. 341. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) CONTINUATION OF DEPARTMENT OF DEFENSE PROGRAM FOR FISCAL YEAR 2003.—Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities, $30,000,000 shall be available only for the

purpose of providing educational agencies assistance to local educational agencies.

(b) NOTIFICATION.—Not later than June 30, 2003, the Secretary of Defense shall notify each local educational agency that is eligible for educational agencies assistance for fiscal year 2003 of—

(1) that agency's eligibility for the assistance; and

(2) the amount of the assistance for which that agency is eligible.

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

(d) DEFINITIONS.—In this section:

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

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

SEC. 342. HOUSING BENEFITS FOR UNACCOMPANIED TEACHERS REQUIRED TO LIVE AT GUANTANAMO BAY NAVAL STATION, CUBA.

Section 7 of the Defense Department Overseas Teachers Pay and Personnel Practices Act (20 U.S.C. 905) is amended by adding at the end the following new subsection:

"(f)(1) A teacher assigned to teach at Guantanamo Bay Naval Station, Cuba, who is not accompanied at such station by any dependent shall be offered for lease any available military family housing at such station that is suitable for occupancy by the teacher and is not needed to house members of the armed forces and dependents accompanying them or other civilian personnel and any dependents accompanying them.

"(2) For any period for which military family housing is leased under paragraph (1) to a teacher described in such paragraph, the teacher shall receive a quarters allowance in the amount determined under subsection (b). The teacher is entitled to such quarters allowance without regard to whether other Government furnished quarters are available for occupancy by the teacher without charge to the teacher.".

SEC. 343. OPTIONS FOR FUNDING DEPENDENT SUMMER SCHOOL PROGRAMS.

Section 1402(d)(2) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 921(d)(2)) is amended to read as follows:

"(2) The Secretary shall provide any summer school program under this subsection on the same financial basis as programs offered during the regular school year, except that the Secretary may charge reasonable fees for all or portions of such summer school programs to the extent that the Secretary determines appropriate.".

SEC. 344. IMPACT AID ELIGIBILITY FOR LOCAL EDUCATIONAL AGENCIES AFFECTED BY PRIVATIZATION OF MILITARY HOUSING.

Section 8003(b)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)(2)) is amended by adding at the end the following:

"(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.

"(iii) CONVERSION OF MILITARY HOUSING UNITS TO PRIVATE HOUSING DESCRIBED.—For purposes of clause (i), 'conversion of military housing units to private housing' means the conversion of military housing units to private housing units pursuant to subchapter IV of chapter 169 of title 10, United States Code, or pursuant to any other related provision of law.".

SEC. 345. COMPTROLLER GENERAL STUDY OF ADEQUACY OF COMPENSATION PROVIDED FOR TEACHERS IN THE DEPARTMENT OF DEFENSE OVERSEAS DEPENDENTS' SCHOOLS.

(a) ADDITIONAL CONSIDERATION FOR STUDY.—Subsection (b) of section 354 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1064) is amended by inserting after paragraph (2) the following new paragraph:

"(3) Whether the process for setting teacher compensation is efficient and cost effective.".

(b) EXTENSION OF TIME FOR REPORTING.—Subsection (c) of such section is amended by striking "May 1, 2002" and inserting "December 12, 2002".

Subtitle F—Information Technology

SEC. 351. ANNUAL SUBMISSION OF INFORMATION REGARDING INFORMATION TECHNOLOGY CAPITAL ASSETS.

(a) REQUIREMENT TO SUBMIT INFORMATION.—Not later than 30 days after the date on which the President submits the budget for a fiscal year to Congress pursuant to section 1105 of title 31, United States Code, the Secretary of Defense shall submit to Congress information on the following information technology capital assets, including information technology capital assets that are a national security system, of the Department of Defense:

(1) Information technology capital assets not covered by paragraph (2) that have an estimated total cost for the fiscal year for which the budget is submitted in excess of $10,000,000.

(2) Information technology capital assets that have an estimated total cost for the fiscal year for which the budget is submitted in excess of $30,000,000 and an estimated total life cycle cost (as computed in fiscal year 2003 constant dollars) in excess of $120,000,000.

(b) REQUIRED INFORMATION FOR LOW-THRESHOLD ASSETS.—With respect to each information technology capital asset described in subsection (a)(1), the Secretary of Defense shall include the following information:

(1) The name of the information technology capital asset.

(2) The function of the asset.

(3) The total cost of the asset for the fiscal year for which the budget is submitted, the current fiscal year, and the preceding fiscal year.

(c) REQUIRED INFORMATION FOR HIGH-THRESHOLD ASSETS.—With respect to each information technology capital asset described in subsection (a)(2), the Secretary of Defense shall include the following information:

(1) The name and identifying acronym of the information technology capital asset.

(2) The date of initiation of the asset.

(3) A summary of performance measurements and metrics.

(4) The total amount of funds, by appropriation account, appropriated and obligated for prior fiscal years, with a specific breakout of such information for the two preceding fiscal years.

(5) The funds, by appropriation account, requested for the next fiscal year.

(6) The name of each prime contractor and the work to be performed.

(7) Program management and management oversight information.

(8) The original baseline cost and most current baseline information.

(9) Information regarding compliance with the provisions of law enacted or amended by the Government Performance Results Act of 1993 (Public Law 103–62; 107 Stat. 285) and the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106; 110 Stat. 642).

(d) TOTAL COST DETERMINATIONS.—In estimating the total cost for a fiscal year or total life cycle cost of an information technology capital asset, the Secretary of Defense shall consider research and development costs, procurement costs, and operation and maintenance costs related to the information technology capital asset.

(e) DEFINITIONS.—In this section:

(1) The term "information technology" has the meaning given that term in section 11101 of title 40, United States Code.

(2) The term "capital asset" has the meaning given that term in Office of Management and Budget Circular A–11.

(3) The term "national security system" has the meaning given that term in section 11103 of title 40, United States Code.

SEC. 352. POLICY REGARDING ACQUISITION OF INFORMATION ASSURANCE AND INFORMATION ASSURANCE-ENABLED INFORMATION TECHNOLOGY PRODUCTS.

(a) ESTABLISHMENT OF POLICY.—The Secretary of Defense shall establish a policy to limit the acquisition of information assurance and information assurance-enabled information technology products to those products that have been evaluated and validated in accordance with appropriate criteria, schemes, or programs.

(b) WAIVER.—As part of the policy, the Secretary of Defense shall authorize specified officials of the Department of Defense to waive the limitations of the policy upon a determination in writing that application of the limitations to the acquisition of a particular information assurance or information assurance-enabled information technology product would not be in the national security interest of the United States.

(c) IMPLEMENTATION.—The Secretary of Defense shall ensure that the policy is uniformly implemented throughout the Department of Defense.

SEC. 353. INSTALLATION AND CONNECTION POLICY AND PROCEDURES REGARDING DEFENSE SWITCH NETWORK.

(a) ESTABLISHMENT OF POLICY AND PROCEDURES.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall establish clear and uniform policy and procedures, applicable to the military departments and Defense Agencies, regarding the installation and connection of telecom switches to the Defense Switch Network.

(b) ELEMENTS OF POLICY AND PROCEDURES.—The policy and procedures shall address at a minimum the following:

(1) Clear interoperability and compatibility requirements for procuring, certifying, installing, and connecting telecom switches to the Defense Switch Network.

(2) Current, complete, and enforceable testing, validation, and certification procedures needed to ensure the interoperability and compatibility requirements are satisfied.

(c) EXCEPTIONS.—(1) The Secretary of Defense may specify certain circumstances in which—

(A) the requirements for testing, validation, and certification of telecom switches may be waived; or

(B) interim authority for the installation and connection of telecom switches to the Defense Switch Network may be granted.

(2) Only the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence may approve a waiver or grant of interim authority under paragraph (1). The authority to approve such a waiver or grant of interim authority may not be delegated.

(3) The Assistant Secretary of Defense for Command, Control, Communications, and Intelligence shall consult with the Chairman of the Joint Chiefs of Staff before approving a waiver or grant of interim authority under paragraph (1).

(d) INVENTORY OF DEFENSE SWITCH NETWORK.—The Secretary of Defense shall prepare and maintain an inventory of all telecom switches that, as of the date on which the Secretary issues the policy and procedures—

(1) are installed or connected to the Defense Switch Network; but

(2) have not been tested, validated, and certified by the Defense Information Systems Agency (Joint Interoperability Test Center).

(e) INTEROPERABILITY RISKS.—On an ongoing basis, the Secretary of Defense shall—

(1) identify and assess the interoperability risks that are associated with the installation or connection of uncertified switches to the Defense Switch Network and the maintenance of such switches on the Defense Switch Network; and

(2) develop and implement a plan to eliminate or mitigate such risks as identified.

(f) TELECOM SWITCH DEFINED.—In this section, the term "telecom switch" means hardware or software designed to send and receive voice, data, or video signals across a network that provides customer voice, data, or video equipment access to the Defense Switch Network or public switched telecommunications networks.

Subtitle G—Other Matters

SEC. 361. DISTRIBUTION OF MONTHLY REPORTS ON ALLOCATION OF FUNDS WITHIN OPERATION AND MAINTENANCE BUDGET SUBACTIVITIES.

(a) DESIGNATION OF RECIPIENTS.—Subsection (a) of section 228 of title 10, United States Code, is amended by striking "to Congress" and inserting "to the congressional defense committees".

(b) CONGRESSIONAL DEFENSE COMMITTEES DEFINED.—Subsection (e) of such section is amended—

(1) by striking "(e) O&M BUDGET ACTIVITY DEFINED.—For purposes of this section, the" and inserting the following:

"(e) DEFINITIONS.—In this section:

"(1) The"; and

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

"(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.".

SEC. 362. CONTINUATION OF ARSENAL SUPPORT PROGRAM INITIATIVE.

(a) EXTENSION THROUGH FISCAL YEAR 2004.—Subsection (a) of section 343 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–65) is amended by striking "and 2002" and inserting "through 2004".

(b) REPORTING REQUIREMENTS.—Subsection (g) of such section is amended—

(1) in paragraph (1), by striking "2002" and inserting "2004"; and

(2) in paragraph (2), by striking the first sentence and inserting the following new sentence: "Not later than July 1, 2003, the Secretary of the Army shall submit to the congressional defense committees a report on the results of the demonstration program since its implementation, including the Secretary's

views regarding the benefits of the program for Army manufacturing arsenals and the Department of the Army and the success of the program in achieving the purposes specified in subsection (b).".

SEC. 363. EXTENSION OF WORK SAFETY DEMONSTRATION PROGRAM.

(a) EXTENSION.—Section 1112 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–313) is amended—

(1) in subsection (d), by striking "September 30, 2002" and inserting "September 30, 2003"; and

(2) in subsection (e)(2), by striking "December 1, 2002" and inserting "December 1, 2003".

(b) REVISION OF REPORTING REQUIREMENTS.—Subsection (e)(2) of such section is further amended by striking "fiscal year 2002" both places it appears and inserting "fiscal years 2002 and 2003".

SEC. 364. CONDITION ON AUTHORITY OF DEFENSE SECURITY SERVICE TO IMPOSE FEES ON FEE-FOR-SERVICE BASIS.

The Secretary of Defense may not authorize the Defense Security Service to impose fees on a fee-for-service basis for the investigative services provided by the Defense Security Service unless the Secretary certifies in advance to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate that the Defense Security Service has the financial systems in place to determine accurately the cost of such services.

SEC. 365. LOGISTICS SUPPORT AND SERVICES FOR WEAPON SYSTEMS CONTRACTORS.

(a) AUTHORITY.—The Secretary of Defense may make available logistics support and logistics services to a contractor in support of the performance by the contractor of a contract for the construction, modification, or maintenance of a weapon system that is entered into by an official of the Department of Defense.

(b) SUPPORT CONTRACTS.—Any logistics support and logistics services to be provided under this section to a contractor in support of the performance of a contract described in subsection (a) shall be provided under a separate contract that is entered into by the Director of the Defense Logistics Agency with that contractor. The requirements of section 2208(h) of title 10, United States Code, and the regulations prescribed pursuant to such section shall apply to the contract between the Director of the Defense Logistics Agency and the contractor.

(c) SCOPE OF SUPPORT AND SERVICES.—The logistics support and logistics services that may be provided under this section in support of the performance of a contract described in subsection (a) are the distribution, disposal, and cataloging of materiel and repair parts necessary for the performance of that contract.

(d) LIMITATIONS.—(1) The number of contracts described in subsection (a) for which the Secretary of Defense makes logistics support and logistics services available under the authority of this section may not exceed five contracts. The total amount of the estimated costs of all such contracts for which logistics support and logistics services are made available under this section may not exceed $100,000,000.

(2) No contract entered into by the Director of the Defense Logistics Agency under subsection (b) may be for a period in excess of five

years, including periods for which the contract is extended under options to extend the contract.

(e) REGULATIONS.—Before exercising the authority under this section, the Secretary of Defense shall prescribe in regulations such requirements, conditions, and restrictions as the Secretary determines appropriate to ensure that logistics support and logistics services are provided under this section only when it is in the best interests of the United States to do so. The regulations shall include, at a minimum, the following:

(1) A requirement for the authority under this section to be used only for providing logistics support and logistics services in support of the performance of a contract that is entered into using competitive procedures (as defined in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403)).

(2) A requirement for the solicitation of offers for a contract described in subsection (a), for which logistics support and logistics services are to be made available under this section, to include—

(A) a statement that the logistics support and logistics services are to be made available under the authority of this section to any contractor awarded the contract, but only on a basis that does not require acceptance of the support and services; and

(B) a description of the range of the logistics support and logistics services that are to be made available to the contractor.

(3) A requirement for the rates charged a contractor for logistics support and logistics services provided to a contractor under this section to reflect the full cost to the United States of the resources used in providing the support and services, including the costs of resources used, but not paid for, by the Department of Defense.

(4) With respect to a contract described in subsection (a) that is being performed for a department or agency outside the Department of Defense, a prohibition, in accordance with applicable contracting procedures, on the imposition of any charge on that department or agency for any effort of Department of Defense personnel or the contractor to correct deficiencies in the performance of such contract.

(5) A prohibition on the imposition of any charge on a contractor for any effort of the contractor to correct a deficiency in the performance of logistics support and logistics services provided to the contractor under this section.

(f) RELATIONSHIP TO TREATY OBLIGATIONS.—The Secretary shall ensure that the exercise of authority under this section does not conflict with any obligation of the United States under any treaty or other international agreement.

(g) TERMINATION OF AUTHORITY.—(1) The authority provided in this section shall expire on September 30, 2007.

(2) The expiration of the authority under this section does not terminate—

(A) any contract that was entered into by the Director of the Defense Logistics Agency under subsection (b) before the date specified in paragraph (1) or any obligation to provide logistics support and logistics services under that contract; or

(B) any authority to enter into a contract described in subsection (a) for which a solicitation of offers was issued in accordance with the regulations prescribed pursuant to subsection (e)(2) before the date specified in paragraph (1) or to provide logistics support and logistics services to the contractor with respect to that contract in accordance with this section.

SEC. 366. TRAINING RANGE SUSTAINMENT PLAN, GLOBAL STATUS OF RESOURCES AND TRAINING SYSTEM, AND TRAINING RANGE INVENTORY.

(a) PLAN REQUIRED.—(1) The Secretary of Defense shall develop a comprehensive plan for using existing authorities available to the Secretary of Defense and the Secretaries of the military departments to address training constraints caused by limitations on the use of military lands, marine areas, and airspace that are available in the United States and overseas for training of the Armed Forces.

(2) As part of the preparation of the plan, the Secretary of Defense shall conduct the following:

(A) An assessment of current and future training range requirements of the Armed Forces.

(B) An evaluation of the adequacy of current Department of Defense resources (including virtual and constructive training assets as well as military lands, marine areas, and airspace available in the United States and overseas) to meet those current and future training range requirements.

(3) The plan shall include the following:

(A) Proposals to enhance training range capabilities and address any shortfalls in current Department of Defense resources identified pursuant to the assessment and evaluation conducted under paragraph (2).

(B) Goals and milestones for tracking planned actions and measuring progress.

(C) Projected funding requirements for implementing planned actions.

(D) Designation of an office in the Office of the Secretary of Defense and in each of the military departments that will have lead responsibility for overseeing implementation of the plan.

(4) At the same time as the President submits to Congress the budget for fiscal year 2004, the Secretary of Defense shall submit to Congress a report describing the progress made in implementing this subsection, including—

(A) the plan developed under paragraph (1);

(B) the results of the assessment and evaluation conducted under paragraph (2); and

(C) any recommendations that the Secretary may have for legislative or regulatory changes to address training constraints identified pursuant to this section.

(5) At the same time as the President submits to Congress the budget for each of fiscal years 2005 through 2008, the Secretary shall submit to Congress a report describing the progress made in implementing the plan and any additional actions taken, or to be taken, to address training constraints caused by limitations on the use of military lands, marine areas, and airspace.

(b) READINESS REPORTING IMPROVEMENT.—Not later than June 30, 2003, the Secretary of Defense, using existing measures within

the authority of the Secretary, shall submit to Congress a report on the plans of the Department of Defense to improve the Global Status of Resources and Training System to reflect the readiness impact that training constraints caused by limitations on the use of military lands, marine areas, and airspace have on specific units of the Armed Forces.

(c) TRAINING RANGE INVENTORY.—(1) The Secretary of Defense shall develop and maintain a training range inventory for each of the Armed Forces—

(A) to identify all available operational training ranges;

(B) to identify all training capacities and capabilities available at each training range; and

(C) to identify training constraints caused by limitations on the use of military lands, marine areas, and airspace at each training range.

(2) The Secretary of Defense shall submit an initial inventory to Congress at the same time as the President submits the budget for fiscal year 2004 and shall submit an updated inventory to Congress at the same time as the President submits the budget for fiscal years 2005 through 2008.

(d) GAO EVALUATION.—The Secretary of Defense shall transmit copies of each report required by subsections (a) and (b) to the Comptroller General. Within 60 days after receiving a report, the Comptroller General shall submit to Congress an evaluation of the report.

(e) ARMED FORCES DEFINED.—In this section, the term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps.

SEC. 367. ENGINEERING STUDY AND ENVIRONMENTAL ANALYSIS OF ROAD MODIFICATIONS IN VICINITY OF FORT BELVOIR, VIRGINIA.

(a) STUDY AND ANALYSIS.—(1) The Secretary of the Army shall conduct a preliminary engineering study and environmental analysis to evaluate the feasibility of establishing a connector road between Richmond Highway (United States Route 1) and Telegraph Road in order to provide an alternative to Beulah Road (State Route 613) and Woodlawn Road (State Route 618) at Fort Belvoir, Virginia, which were closed as a force protection measure.

(2) It is the sense of Congress that the study and analysis should consider as one alternative the extension of Old Mill Road between Richmond Highway and Telegraph Road.

(b) CONSULTATION.—The study required by subsection (a) shall be conducted in consultation with the Department of Transportation of the Commonwealth of Virginia and Fairfax County, Virginia.

(c) REPORT.—The Secretary shall submit to Congress a summary report on the study and analysis required by subsection (a). The summary report shall be submitted together with the budget justification materials in support of the budget of the President for fiscal year 2006 that is submitted to Congress under section 1105(a) of title 31, United States Code.

(d) FUNDING.—Of the amount authorized to be appropriated by section 301(a)(1) for the Army for operation and maintenance, $5,000,000 may be made available for the study and analysis required by subsection (a).

SEC. 368. REAUTHORIZATION OF WARRANTY CLAIMS RECOVERY PILOT PROGRAM.

Section 391 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 2304 note), as amended by section 364 of Public Law 107–107 (115 Stat. 1068), is further amended—

(1) in subsection (f), by striking "September 30, 2003" and inserting "September 30, 2004"; and

(2) by striking subsection (g).

SEC. 369. EXPANDED ELIGIBILITY FOR LOAN, GIFT, OR EXCHANGE OF DOCUMENTS, HISTORICAL ARTIFACTS, AND CONDEMNED OR OBSOLETE COMBAT MATERIEL.

Section 2572(a)(3) of title 10, United States Code, is amended by inserting before the period the following: "or a nonprofit military aviation heritage foundation or association incorporated in a State".

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Revision in permanent end strength minimum levels.
Sec. 403. Expanded authority for administrative increases in statutory active-duty end strengths.
Sec. 404. General and flag officer management.
Sec. 405. Extension of certain authorities relating to management of numbers of general and flag officers in certain grades.
Sec. 406. Increase in authorized strengths for Marine Corps officers on active duty in the grade of colonel.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the reserves.
Sec. 413. End strengths for military technicians (dual status).
Sec. 414. Fiscal year 2003 limitation on non-dual status technicians.

Subtitle C—Authorization of Appropriations

Sec. 421. Authorization of appropriations for military personnel.

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 2003, as follows:

(1) The Army, 480,000.

(2) The Navy, 375,700.

(3) The Marine Corps, 175,000.

(4) The Air Force, 359,000.

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

(a) REVISED END STRENGTH FLOORS.—Subsection (b) of section 691 of title 10, United States Code, is amended—

(1) in paragraph (2), by striking "376,000" and inserting "375,700";

(2) in paragraph (3), by striking "172,600" and inserting "175,000"; and

(3) in paragraph (4), by striking "358,800" and inserting "359,000".

(b) REPEAL OF SECRETARY OF DEFENSE FLEXIBILITY AUTHORITY.—Subsection (e) of such section is repealed.

SEC. 403. [H403]. EXPANDED AUTHORITY FOR ADMINISTRATIVE INCREASES IN STATUTORY ACTIVE-DUTY END STRENGTHS.

(a) SECRETARY OF DEFENSE AUTHORITY.—Subsection (c)(1) of section 115 of title 10, United States Code, is amended by striking "2 percent" and inserting "3 percent".

(b) SERVICE SECRETARY AUTHORITY.—Such section is further amended by inserting after subsection (e) the following new subsection:

"(f) Upon determination by the Secretary of a military department that such action would enhance manning and readiness in essential units or in critical specialties or ratings, the Secretary may increase the end strength authorized pursuant to subsection (a)(1)(A) for a fiscal year for the armed force under the jurisdiction of that Secretary or, in the case of the Secretary of the Navy, for any of the armed forces under the jurisdiction of that Secretary. Any such increase for a fiscal year—

"(1) shall be by a number equal to not more than 2 percent of such authorized end strength; and

"(2) shall be counted as part of the increase for that armed force for that fiscal year authorized under subsection (c)(1).".

SEC. 404. GENERAL AND FLAG OFFICER MANAGEMENT.

(a) EXCLUSION OF SENIOR MILITARY ASSISTANT TO THE SECRETARY OF DEFENSE FROM LIMITATION ON ACTIVE DUTY OFFICERS IN GRADES ABOVE MAJOR GENERAL AND REAR ADMIRAL.—Effective on the date specified in subsection (d), section 525(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(8) An officer while serving in a position designated by the Secretary of Defense as Senior Military Assistant to the Secretary of Defense, if serving in the grade of lieutenant general or vice admiral, is in addition to the number that otherwise would be permitted for that officer's armed force for that grade under paragraph (1) or (2). Only one officer may be designated as Senior Military Assistant to the Secretary of Defense for purposes of this paragraph.".

(b) INCREASE IN NUMBER OF LIEUTENANT GENERALS AUTHORIZED FOR THE MARINE CORPS.—Paragraph (2)(B) of such section is amended by striking "16.2 percent" and inserting "17.5 percent".

(c) REVIEW OF ACTIVE DUTY AND RESERVE GENERAL AND FLAG OFFICER AUTHORIZATIONS.—(1) The Secretary of Defense shall submit to Congress a report containing any recommendations of the Secretary (together with the rationale of the Secretary for the recommendations) concerning the following:

(A) Revision of the limitations on general and flag officer grade authorizations and distribution in grade prescribed by sections 525, 526, and 12004 of title 10, United States Code.

(B) Statutory designation of the positions and grades of any additional general and flag officers in the commands specified in chapter 1006 of title 10, United States Code, and the reserve component offices specified in sections 3038, 5143, 5144, and 8038 of such title.

(2) The provisions of subsection (b) through (e) of section 1213 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2694) shall apply to the report under paragraph (1) in the same manner as they applied to the report required by subsection (a) of that section.

(d) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the receipt by Congress of the report required by subsection (c).

SEC. 405. EXTENSION OF CERTAIN AUTHORITIES RELATING TO MANAGEMENT OF NUMBERS OF GENERAL AND FLAG OFFICERS IN CERTAIN GRADES.

(a) SENIOR JOINT OFFICER POSITIONS.—Section 604(c) of title 10, United States Code, is amended by striking "September 30, 2003" and inserting "December 31, 2004".

(b) DISTRIBUTION OF OFFICERS ON ACTIVE DUTY IN GENERAL AND FLAG OFFICER GRADES.—Section 525(b)(5)(C) of such title is amended by striking "September 30, 2003" and inserting "December 31, 2004".

(c) AUTHORIZED STRENGTH FOR GENERAL AND FLAG OFFICERS ON ACTIVE DUTY.—Section 526(b)(3) of such title is amended by striking "October 1, 2002" and inserting "December 31, 2004".

SEC. 406. INCREASE IN AUTHORIZED STRENGTHS FOR MARINE CORPS OFFICERS ON ACTIVE DUTY IN THE GRADE OF COLONEL.

The table in section 523(a)(1) of title 10, United States Code, is amended by striking the figures under the heading "Colonel" in the portion of the table relating to the Marine Corps and inserting the following:

"571
632
653
673
694
715
735".

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 2003, as follows:

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

(2) The Army Reserve, 205,000.

(3) The Naval Reserve, 87,800.

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

(5) The Air National Guard of the United States, 106,600.

(6) The Air Force Reserve, 75,600.

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

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

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are

on active duty (other than for training) at the end of the fiscal year; and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.M

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

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 2003, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 24,562.

(2) The Army Reserve, 14,070.

(3) The Naval Reserve, 14,572.

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

(5) The Air National Guard of the United States, 11,727.

(6) The Air Force Reserve, 1,498.

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

The minimum number of military technicians (dual status) as of the last day of fiscal year 2003 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army National Guard of the United States, 24,102.

(2) For the Army Reserve, 6,599.

(3) For the Air National Guard of the United States, 22,495.

(4) For the Air Force Reserve, 9,911.

SEC. 414. FISCAL YEAR 2003 LIMITATION ON NON-DUAL STATUS TECHNICIANS.

(a) ARMY.—The number of non-dual status technicians employed by the reserve components of the Army as of September 30, 2003, may not exceed the following:

(1) For the Army Reserve, 995.

(2) For the Army National Guard of the United States, 1,600, to be counted within the limitation specified in section 10217(c)(2) of title 10, United States Code.

(b) AIR FORCE.—The number of non-dual status technicians employed by the reserve components of the Army and the Air Force as of September 30, 2003, may not exceed the following:

(1) For the Air Force Reserve, 90.

(2) For the Air National Guard of the United States, 350, to be counted within the limitation specified in section 10217(c)(2) of title 10, United States Code.

(c) NON-DUAL STATUS TECHNICIANS DEFINED.—In this section, the term "non-dual status technician" has the meaning given that term in section 10217(a) of title 10, United States Code.

(d) TECHNICAL AMENDMENTS.—Section 10217(c)(2) of title 10, United States Code, is amended—

(1) in the first sentence, by striking "Effective October 1, 2002, the" and inserting "The"; and

(2) in the second sentence, by striking "after the preceding sentence takes effect".

Subtitle C—Authorization of Appropriations

SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2003 a total of $93,829,525,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2003.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Extension of good-of-the-service waiver authority for officers appointed to a Reserve Chief or Guard Director position.
Sec. 502. Exclusion of certain officers from limitation on authority to grant a waiver of required completion or sequencing for joint professional military education.
Sec. 503. Extension and codification of authority for recall of retired aviators to active duty.
Sec. 504. Grades for certain positions.
Sec. 505. Reinstatement of authority to reduce three-year time-in-grade requirement for retirement in grade for officers in grades above major and lieutenant commander.
Sec. 506. Authority to require that an officer take leave pending review of a recommendation for removal by a board of inquiry.

Subtitle B—Reserve Component Management

Sec. 511. Reviews of National Guard strength accounting and management and other issues.
Sec. 512. Courts-martial for the National Guard when not in Federal service.
Sec. 513. Fiscal year 2003 funding for military personnel costs of reserve component Special Operations Forces personnel engaged in humanitarian assistance activities relating to clearing of landmines.
Sec. 514. Use of Reserves to perform duties relating to defense against terrorism.
Sec. 515. Repeal of prohibition on use of Air Force Reserve AGR personnel for Air Force base security functions.

Subtitle C—Reserve Component Officer Personnel Policy

Sec. 521. Eligibility for consideration for promotion to grade of major general for certain reserve component brigadier generals who do not otherwise qualify for consideration for promotion under the one-year rule.
Sec. 522. Authority for limited extension of medical deferment of mandatory retirement or separation of reserve component officers.

Subtitle D—Enlistment, Education, and Training Programs

Sec. 531. Enlistment incentives for pursuit of skills to facilitate national service.
Sec. 532. Authority for phased increase to 4,400 in authorized strengths for the service academies.

Sec. 533. Enhancement of reserve component delayed training program.
Sec. 534. Review of Armed Forces programs for preparation for, participation in, and conduct of athletic competitions.
Sec. 535. Repeal of bar to eligibility of Army College First program participants for benefits under student loan repayment program.

Subtitle E—Decorations, Awards, and Commendations

Sec. 541. Waiver of time limitations for award of Army Distinguished-Service Cross to certain persons.
Sec. 542. Option to convert award of Armed Forces Expeditionary Medal awarded for Operation Frequent Wind to Vietnam Service Medal.
Sec. 543. Korea Defense Service Medal.
Sec. 544. Commendation of military chaplains.

Subtitle F—Administrative Matters

Sec. 551. Staffing and funding for Defense Prisoner of War/Missing Personnel Office.
Sec. 552. Three-year freeze on reductions of personnel of agencies responsible for review and correction of military records.
Sec. 553. Authority for acceptance of voluntary services of individuals as proctors for administration of Armed Services Vocational Aptitude Battery test.
Sec. 554. Extension of temporary early retirement authority.

Subtitle G—Matters Relating to Minorities and Women in the Armed Forces

Sec. 561. Surveys of racial and ethnic issues and of gender issues in the Armed Forces.
Sec. 562. Annual report on status of female members of the Armed Forces.
Sec. 563. Wear of abayas by female members of the Armed Forces in Saudi Arabia.

Subtitle H—Benefits

Sec. 571. Department of Defense support for persons participating in military funeral honors details.
Sec. 572. Emergency leave of absence program.
Sec. 573. Enhanced flexibility in medical loan repayment program.
Sec. 574. Destinations authorized for Government paid transportation of enlisted personnel for rest and recuperation absence upon extending duty at designated locations overseas.
Sec. 575. Vehicle storage in lieu of transportation when member is ordered to a nonforeign duty station outside continental United States.

Subtitle I—Reports

Sec. 581. Quadrennial quality of life review.
Sec. 582. Report on desirability and feasibility of consolidating separate courses of basic instruction for judge advocates.
Sec. 583. Reports on efforts to resolve status of Captain Michael Scott Speicher, United States Navy.
Sec. 584. Report on volunteer services of members of the reserve components in emergency response to the terrorist attacks of September 11, 2001.

Subtitle A—Officer Personnel Policy

SEC. 501. EXTENSION OF GOOD-OF-THE-SERVICE WAIVER AUTHORITY FOR OFFICERS APPOINTED TO A RESERVE CHIEF OR GUARD DIRECTOR POSITION.

(a) WAIVER OF REQUIREMENT FOR SIGNIFICANT JOINT DUTY EXPERIENCE.—Sections 3038(b)(4), 5143(b)(4), 5144(b)(4), 8038(b)(4), and 10506(a)(3)(D) of title 10, United States Code, are each amended by striking "October 1, 2003" and inserting "December 31, 2004".

(b) REPORT ON FUTURE IMPLEMENTATION OF REQUIREMENT.—Not later than May 1, 2003, 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—

(1) setting forth the steps that have been taken by the Secretary, the Secretaries of the military departments, and the

Chairman of the Joint Chiefs of Staff to ensure that Reserve and National Guard officers receive significant joint duty experience; and

(2) specifying the date by which no further extension of the waiver authority under the sections amended by subsection (a) will be required.

SEC. 502. EXCLUSION OF CERTAIN OFFICERS FROM LIMITATION ON AUTHORITY TO GRANT A WAIVER OF REQUIRED COMPLETION OR SEQUENCING FOR JOINT PROFESSIONAL MILITARY EDUCATION.

(a) EXCLUSION FROM LIMITATION.—There shall be excluded from counting for purposes of the 10-percent limitation set forth in the last sentence of section 661(c)(3)(D) of title 10, United States Code (limiting the authority to grant waivers related to sequencing or completion of program of joint professional military education), any officer selected for the joint specialty who—

(1) on December 28, 2001, met the requirements of section 661(c) of such title for nomination for the joint specialty, but who had not been nominated for that specialty before that date by the Secretary of the military department concerned; and

(2) before the date of the enactment of this Act was automatically nominated for the joint specialty as a result of section 661(b)(2) of such title.

(b) TERMINATION.—The provisions of subsection (a) shall terminate on October 1, 2006.

(c) CROSS-REFERENCE CORRECTION.—Section 661(c)(3)(E) of title 10, United States Code, is amended by striking "subparagraph" and inserting "paragraph".

SEC. 503. EXTENSION AND CODIFICATION OF AUTHORITY FOR RECALL OF RETIRED AVIATORS TO ACTIVE DUTY.

(a) IN GENERAL.—(1) Chapter 39 of title 10, United States Code, is amended by inserting after section 688 the following new section:

"§ 688a. Retired aviators: temporary authority to order to active duty

"(a) AUTHORITY.—The Secretary of a military department may order to active duty a retired officer having expertise as an aviator to fill staff positions normally filled by aviators on active duty. Any such order may be made only with the consent of the officer ordered to active duty and in accordance with an agreement between the Secretary and the officer.

"(b) DURATION.—The period of active duty of an officer under an order to active duty under subsection (a) shall be specified in the agreement entered into under that subsection.

"(c) LIMITATION.—No more than a total of 500 officers may be on active duty at any time under subsection (a).

"(d) RELATIONSHIP TO OTHER AUTHORITY.—The authority to order a retired officer to active duty under this section is in addition to the authority under section 688 of this title or any other provision of law authorizing the Secretary concerned to order a retired member to active duty.

"(e) INAPPLICABILITY OF CERTAIN PROVISIONS.—Officers ordered to active duty under subsection (a) shall not be counted for purposes of section 688 or 690 of this title.

"(f) EXPIRATION OF AUTHORITY.—An officer may not be ordered to active duty under this section after September 30, 2008.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 688 the following new item:

"688a. Retired aviators: temporary authority to order to active duty.".

(b) GRADE IN WHICH ORDERED TO ACTIVE DUTY AND UPON RELEASE FROM ACTIVE DUTY.—(1) Section 689 of such title is amended by inserting "or 688a" after "section 688" each place it appears.

(2) The provisions of section 689(d) of title 10, United States Code, shall apply with respect to an officer ordered to active duty under section 501 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 589) before the date of the enactment of this Act in the same manner as such provisions apply to an officer ordered to active duty under section 688 of such title.

(c) TRANSITION PROVISION.—Any officer ordered to active duty under section 501 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 589) who continues on active duty under such order to active duty after the date of the enactment of this Act shall be counted for purposes of the limitation under subsection (c) of section 688a of title 10, United States Code, as added by subsection (a).

SEC. 504. GRADES FOR CERTAIN POSITIONS.

(a) HEADS OF NURSE CORPS.—(1) Section 3069(b) of title 10, United States Code, is amended by striking "brigadier general" in the second sentence and inserting "major general".

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

(A) by inserting "rear admiral, in the case of an officer in the Nurse Corps, or" after "for promotion to the grade of"; and

(B) by inserting ", in the case of an officer in the Medical Service Corps" after "rear admiral (lower half)".

(3) Section 8069(b) of such title is amended by striking "brigadier general" in the second sentence and inserting "major general".

(b) CHIEF OF VETERINARY CORPS OF THE ARMY.—(1) Chapter 307 of such title is amended by adding at the end the following new section:

"§ 3084. Chief of Veterinary Corps; grade

"The Chief of the Veterinary Corps of the Army serves in the grade of brigadier general. An officer appointed to that position who holds a lower grade shall be appointed in the grade of brigadier general.".

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

"3084. Chief of Veterinary Corps: grade.".

(c) CHIEF OF LEGISLATIVE LIAISON OF THE ARMY.—(1)(A) Chapter 303 of such title is amended by adding at the end the following new section:

"§ 3023. Chief of Legislative Liaison

"(a) There is a Chief of Legislative Liaison in the Department of the Army. An officer assigned to that position shall be an officer in the grade of major general.

"(b) The Chief of Legislative Liaison shall perform legislative affairs functions as specified for the Office of the Secretary of the Army by section 3014(c)(1)(F) of this title.".

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

"3023. Chief of Legislative Liaison.".

(2) Section 3014(b) of such title is amended—

(A) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) by inserting after paragraph (5) the following new paragraph (6):

"(6) The Chief of Legislative Liaison.".

(d) LEGISLATIVE AFFAIRS POSITIONS OF THE NAVY AND MARINE CORPS.—(1)(A) Chapter 503 of such title is amended by adding at the end the following new section:

"§ 5027. Chief of Legislative Affairs

"(a) There is a Chief of Legislative Affairs in the Department of the Navy. An officer assigned to that position shall be an officer in the grade of rear admiral.

"(b) The Chief of Legislative Affairs shall perform legislative affairs functions as specified for the Office of the Secretary of the Navy by section 5014(c)(1)(F) of this title.".

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

"5027. Chief of Legislative Affairs.".

(2) Section 5014(b) of such title is amended—

(A) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) by inserting after paragraph (5) the following new paragraph (6):

"(6) The Chief of Legislative Affairs.".

(3)(A) Chapter 506 of such title is amended by adding at the end the following new section:

"§ 5047. Legislative Assistant to the Commandant

"There is in the Marine Corps a Legislative Assistant to the Commandant. An officer assigned to that position shall be in a grade above colonel.".

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

"5047. Legislative Assistant to the Commandant.".

(e) CHIEF OF LEGISLATIVE LIAISON OF THE AIR FORCE.—(1)(A) Chapter 803 of such title is amended by adding at the end the following new section:

"§ 8023. Chief of Legislative Liaison

"(a) There is a Chief of Legislative Liaison in the Department of the Air Force. An officer assigned to that position shall be an officer in the grade of major general.

"(b) The Chief of Legislative Liaison shall perform legislative affairs functions as specified for the Office of the Secretary of the Air Force by section 8014(c)(1)(F) of this title.".

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

"8023. Chief of Legislative Liaison.".

(2) Section 8014(b) of such title is amended—

(A) by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively; and

(B) by inserting after paragraph (4) the following new paragraph (5):

"(5) The Chief of Legislative Liaison.".

(f) TECHNICAL AMENDMENT TO PROVIDE CORRECT STATUTORY TITLE OF GRADE.—Section 5022(a)(2) of such title is amended by striking "(upper half)".

SEC. 505. REINSTATEMENT OF AUTHORITY TO REDUCE THREE-YEAR TIME-IN-GRADE REQUIREMENT FOR RETIREMENT IN GRADE FOR OFFICERS IN GRADES ABOVE MAJOR AND LIEUTENANT COMMANDER.

(a) OFFICERS ON ACTIVE DUTY.—Subsection (a)(2) of section 1370 of title 10, United States Code, is amended—

(1) in subparagraph (A), by striking "during the period beginning on October 1, 1990, and ending on December 31, 2001" and inserting "during the period beginning on October 1, 2002, and ending on December 31, 2003";

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (D) and (E), respectively; and

(3) by inserting after subparagraph (A) the following new subparagraphs (B) and (C):

"(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.".

(b) RESERVE OFFICERS.—Subsection (d) of such section is amended—

(1) by designating the second sentence of paragraph (5) as paragraph (6) and in that paragraph by striking "this paragraph" and inserting "paragraph (5)"; and

(2) in paragraph (5)—

(A) by inserting "(A)" after "(5)";

(B) by striking "in the case of retirements effective during the period beginning on October 17, 1998, and ending

on December 31, 2001" and inserting "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"; and

(C) by adding at the end (before paragraph (6) as designated by paragraph (1) of this subsection) the following new subparagraphs:

"(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.".

(c) ADVANCE NOTICE TO CONGRESS.—Such section is further amended by adding at the end the following new subsection:

"(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.

"(2) In the case of a person to be credited under subsection (d) with satisfactory service in a grade that is a general or flag officer grade who is eligible to be credited with such service in that grade only by reason of an exercise of authority under paragraph (5) of that subsection to reduce the three-year service-in-grade requirement otherwise applicable under paragraph (3)(A) of that subsection, the Secretary of Defense, before the person is credited with such satisfactory service 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 paragraph (5) of that subsection with respect to that officer.

"(3) In the case of an officer to whom subsection (c) applies, the requirement for notification under paragraph (1) is satisfied if the notification is included in the certification submitted with respect to that officer under paragraph (1) of such subsection.".

SEC. 506. AUTHORITY TO REQUIRE THAT AN OFFICER TAKE LEAVE PENDING REVIEW OF A RECOMMENDATION FOR REMOVAL BY A BOARD OF INQUIRY.

(a) REQUIREMENT.—Section 1182(c) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(c)"; and

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

"(2) Under regulations prescribed by the Secretary concerned, an officer as to whom a board of inquiry makes a recommendation under paragraph (1) that the officer not be retained on active duty may be required to take leave pending the completion of the officer's case under this chapter. The officer may be required to begin such leave at any time following the officer's receipt of the report of the board of inquiry, including the board's recommendation for removal from active duty, and the expiration of any period allowed for submission by the officer of a rebuttal to that report. The leave may be continued until the date on which action by the Secretary concerned on the officer's case is completed or may be terminated at any earlier time.".

(b) PAYMENT FOR MANDATORY EXCESS LEAVE UPON DISAPPROVAL OF CERTAIN INVOLUNTARY SEPARATION RECOMMENDATIONS.—Chapter 40 of such title is amended by inserting after section 707 the following new section:

"§ 707a. Payment upon disapproval of certain board of inquiry recommendations for excess leave required to be taken

"(a) An officer—

"(1) who is required to take leave under section 1182(c)(2) of this title, any period of which is charged as excess leave under section 706(a) of this title, and

"(2) whose recommendation for removal from active duty in a report of a board of inquiry is not approved by the Secretary concerned under section 1184 of this title,

shall be paid, as provided in subsection (b), for the period of leave charged as excess leave.

"(b)(1) An officer entitled to be paid under this section shall be deemed, for purposes of this section, to have accrued pay and allowances for each day of leave required to be taken under section 1182(c)(2) of this title that is charged as excess leave (except any day of accrued leave for which the officer has been paid under section 706(b)(1) of this title and which has been charged as excess leave).

"(2) The officer shall be paid the amount of pay and allowances that is deemed to have accrued to the officer under paragraph (1), reduced by the total amount of his income from wages, salaries, tips, other personal service income, unemployment compensation, and public assistance benefits from any Government agency during the period the officer is deemed to have accrued pay and allowances. Except as provided in paragraph (3), such payment shall be made within 60 days after the date on which the Secretary concerned decides not to remove the officer from active duty.

"(3) If an officer is entitled to be paid under this section, but fails to provide sufficient information in a timely manner regarding the officer's income when such information is requested under regulations prescribed under subsection (c), the period of time prescribed in paragraph (2) shall be extended until 30 days after the date on which the member provides the information requested.

"(c) This section shall be administered under uniform regulations prescribed by the Secretaries concerned. The regulations may provide for the method of determining an officer's income during any period the officer is deemed to have accrued pay and allowances, including a requirement that the officer provide income tax

returns and other documentation to verify the amount of the officer's income.".

(c) CONFORMING AMENDMENTS.—(1) Section 706 of such title is amended—

(A) by inserting "or 1182(c)(2)" after "section 876a" in subsections (a), (b)(1), (b)(2), and (c); and

(B) by striking "section 707" in subsection (b)(2) and inserting "sections 707 and 707a".

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

"§ 706. Administration of leave required to be taken".

(d) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 40 of such title is amended—

(1) by striking the item relating to section 706 and inserting the following:

"706. Administration of leave required to be taken.";

(2) by inserting after the item relating to section 707 the following new item:

"707a. Payment upon disapproval of certain board of inquiry recommendations for excess leave required to be taken.".

Subtitle B—Reserve Component Management

SEC. 511. REVIEWS OF NATIONAL GUARD STRENGTH ACCOUNTING AND MANAGEMENT AND OTHER ISSUES.

(a) COMPTROLLER GENERAL ASSESSMENTS.—Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report on management of the National Guard. The report shall include the following:

(1) The Comptroller General's assessment of the effectiveness of the implementation of Department of Defense plans for improving management and accounting for personnel strengths in the National Guard, including an assessment of the process that the Department of Defense, the National Guard Bureau, the Army National Guard and State-level National Guard leadership, and leadership in the other reserve components have for identifying and addressing in a timely manner specific units in which nonparticipation rates are significantly in excess of the established norms.

(2) The Comptroller General's assessment of the effectiveness of the process for Federal recognition of senior National Guard officers and recommendations for improvement to that process.

(3) The Comptroller General's assessment of the process for, and the nature and extent of, the administrative or judicial corrective action taken by the Secretary of Defense, the Secretary of the Army, and the Secretary of the Air Force as a result of Inspector General investigations or other investigations in which allegations against senior National Guard officers are substantiated in whole or in part.

(4) The Comptroller General's determination of the effectiveness of the Federal protections provided for members or employ-

ees of the National Guard who report allegations of waste, fraud, abuse, or mismanagement and the nature and extent to which corrective action is taken against those in the National Guard who retaliate against such members or employees.

(b) SECRETARY OF DEFENSE REPORT ON DIFFERENT ARMY AND AIR FORCE PROCEDURES.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the differing Army and Air Force policies for taking adverse administrative actions against National Guard officers in a State status. The report shall include the Secretary's determination as to whether changes should be made in those policies.

SEC. 512. COURTS-MARTIAL FOR THE NATIONAL GUARD WHEN NOT IN FEDERAL SERVICE.

(a) MANNER OF PRESCRIBING PUNISHMENTS.—Section 326 of title 32, United States Code, is amended by adding at the end the following new sentence: "Punishments shall be as provided by the laws of the respective States and Territories, Puerto Rico, and the District of Columbia.".

(b) CONVENING AUTHORITY.—Section 327 of such title is amended to read as follows:

"§ 327. Courts-martial of National Guard not in Federal service: convening authority

"(a) In the National Guard not in Federal service, general, special, and summary courts-martial may be convened as provided by the laws of the respective States and Territories, Puerto Rico, and the District of Columbia.

"(b) In the National Guard not in Federal service—

"(1) general courts-martial may be convened by the President;

"(2) special courts-martial may be convened—

"(A) by the commanding officer of a garrison, fort, post, camp, air base, auxiliary air base, or other place where members of the National Guard are on duty; or

"(B) by the commanding officer of a division, brigade, regiment, wing, group, detached battalion, separate squadron, or other detached command; and

"(3) summary courts-martial may be convened—

"(A) by the commanding officer of a garrison, fort, post, camp, air base, auxiliary air base, or other place where members of the National Guard are on duty; or

"(B) by the commanding officer of a division, brigade, regiment, wing, group, detached battalion, detached squadron, detached company, or other detachment.

"(c) The convening authorities provided under subsection (b) are in addition to the convening authorities provided under subsection (a).".

(c) REPEAL OF SUPERSEDED AND OBSOLETE PROVISIONS.—(1) Sections 328, 329, 330, 331, 332, and 333 of title 32, United States Code, are repealed.

(2) The provisions of law repealed by paragraph (1) shall continue to apply with respect to courts-martial convened in the National Guard not in Federal service before the date of the enactment of this Act.

(d) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 3 of such title is amended by striking the items relating to sections 327, 328, 329, 330, 331, 332, and 333 and inserting the following:

"327. Courts-martial of National Guard not in Federal service: convening authority.".

(e) MODELS FOR STATE CODE OF MILITARY JUSTICE AND STATE MANUAL FOR COURTS-MARTIAL.—(1) The Secretary of Defense shall prepare a model State code of military justice and a model State manual for courts-martial to recommend to the States for use with respect to the National Guard not in Federal service. Both such models shall be consistent with the recommendations contained in the report that was issued in 1998 by the Department of Defense Panel to Study Military Justice in the National Guard not in Federal Service.

(2) The Secretary shall ensure that adequate support for the preparation of the model State code of military justice and the model State manual for courts-martial (including the detailing of attorneys and other personnel) is provided by the General Counsel of the Department of Defense, the Secretary of the Army, the Secretary of the Air Force, and the Chief of the National Guard Bureau.

(3) If the funds available to the Chief of the National Guard Bureau are insufficient for paying the cost of the National Guard Bureau support required under paragraph (2) (including increased costs of pay of members of the National Guard for additional active duty necessitated by such requirement and increased cost of detailed attorneys and other staff, allowances, and travel expenses related to such support), the Secretary shall, upon request made by the Chief of the Bureau, provide such additional funding as the Secretary determines necessary to satisfy the requirement for such support.

(4) Not later than one year after the date of the enactment of this Act, the Secretary shall submit a report on the actions taken to carry out this subsection to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives. The report shall include proposals in final form of both the model State code of military justice and the model State manual for courts-martial required by paragraph (1), together with a discussion of the efforts being made to present those proposals to the States for their consideration for enactment or adoption, respectively.

(5) In this subsection, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

SEC. 513. FISCAL YEAR 2003 FUNDING FOR MILITARY PERSONNEL COSTS OF RESERVE COMPONENT SPECIAL OPERATIONS FORCES PERSONNEL ENGAGED IN HUMANITARIAN ASSISTANCE ACTIVITIES RELATING TO CLEARING OF LANDMINES.

(a) USE OF RESERVE COMPONENT MILITARY PERSONNEL FUNDS.—Fiscal year 2003 reserve component military personnel funds may be used for military personnel expenses of reserve component Special Operations forces that are incurred during fiscal year 2003 in connection with landmine clearance assistance, notwithstanding section 401(c)(1) of title 10, United States Code.

(b) REIMBURSEMENT REQUIREMENT.—Fiscal year 2003 reserve component military personnel funds shall be reimbursed from fiscal year 2003 landmine clearance assistance funds for all military personnel expenses of reserve component Special Operations forces that are incurred during fiscal year 2003 in connection with landmine clearance assistance. Such reimbursement shall be made in each instance to the reserve component military personnel account that incurred the expense.

(c) LIMITATION.—The amount of reserve component military personnel expenses incurred during fiscal year 2003 for landmine clearance assistance may not exceed 10 percent of the amount of fiscal year 2003 landmine clearance assistance funds.

(d) DEFINITIONS.—For purposes of this section:

(1) LANDMINE CLEARANCE ASSISTANCE.—The term "landmine clearance assistance" means humanitarian and civic assistance provided under section 401 of title 10, United States Code, that is described in subsection (e)(5) of that section.

(2) FISCAL YEAR 2003 LANDMINE CLEARANCE ASSISTANCE FUNDS.—The term "fiscal year 2003 landmine clearance assistance funds" means the total amount appropriated for fiscal year 2003 in operations and maintenance accounts of the Department of Defense that is provided for landmine clearance assistance.

(3) FISCAL YEAR 2003 RESERVE COMPONENT MILITARY PERSONNEL FUNDS.—The term "fiscal year 2003 reserve component military personnel funds" means amounts appropriated for fiscal year 2003 for military personnel expenses of a reserve component of the Department of Defense.

(4) MILITARY PERSONNEL EXPENSES.—The term "military personnel expenses" means expenses properly chargeable to a military personnel account of the Department of Defense.

(e) LEGISLATIVE PROPOSAL.—The Secretary of Defense shall submit to Congress, as part of the budget request of the Department of Defense for fiscal year 2004, a legislative proposal that would ensure that military personnel expenses for both active and reserve component military personnel providing landmine clearance assistance are specified in detail and are budgeted to be authorized and appropriated from the appropriate military personnel accounts.

SEC. 514. USE OF RESERVES TO PERFORM DUTIES RELATING TO DEFENSE AGAINST TERRORISM.

(a) USE OF RESERVES TO PERFORM DUTIES RELATING TO DEFENSE AGAINST TERRORISM.—Section 12304(b) of title 10, United States Code, is amended by striking "involving" and all that follows and inserting "involving—

"(1) a use or threatened use of a weapon of mass destruction; or

"(2) a terrorist attack or threatened terrorist attack in the United States that results, or could result, in catastrophic loss of life or property.".

(b) CONFORMING AMENDMENT RELATING TO FULL-TIME SUPPORT OF GUARD AND RESERVE PERSONNEL.—Section 12310(c)(1) of such title is amended by striking "involving" and all that follows and inserting "involving—

"(A) the use of a weapon of mass destruction (as defined in section 12304(i)(2) of this title); or

"(B) a terrorist attack or threatened terrorist attack in the United States that results, or could result, in catastrophic loss of life or property.".

SEC. 515. REPEAL OF PROHIBITION ON USE OF AIR FORCE RESERVE AGR PERSONNEL FOR AIR FORCE BASE SECURITY FUNCTIONS.

(a) REPEAL.—Section 12551 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1215 of such title is amended by striking the item relating to section 12551.

Subtitle C—Reserve Component Officer Personnel Policy

SEC. 521. ELIGIBILITY FOR CONSIDERATION FOR PROMOTION TO GRADE OF MAJOR GENERAL FOR CERTAIN RESERVE COMPONENT BRIGADIER GENERALS WHO DO NOT OTHERWISE QUALIFY FOR CONSIDERATION FOR PROMOTION UNDER THE ONE-YEAR RULE.

Section 14301(g) of title 10, United States Code, is amended to read as follows:

"(g) BRIGADIER GENERALS.—(1) An officer who is a reserve component brigadier general of the Army or the Air Force who is not eligible for consideration for promotion under subsection (a) because the officer is not on the reserve active status list (as required by paragraph (1) of that subsection for such eligibility) is nevertheless eligible for consideration for promotion to the grade of major general by a promotion board convened under section 14101(a) of this title if—

"(A) as of the date of the convening of the promotion board, the officer has been in an inactive status for less than one year; and

"(B) immediately before the date of the officer's most recent transfer to an inactive status, the officer had continuously served on the reserve active status list or the active-duty list (or a combination of the reserve active status list and the active-duty list) for at least one year.

"(2) An officer who is a reserve component brigadier general of the Army or the Air Force who is on the reserve active status list but who is not eligible for consideration for promotion under subsection (a) because the officer's service does not meet the one-year-of-continuous-service requirement under paragraph (2) of that subsection is nevertheless eligible for consideration for promotion to the grade of major general by a promotion board convened under section 14101(a) of this title if—

"(A) the officer was transferred from an inactive status to the reserve active status list during the one-year period preceding the date of the convening of the promotion board;

"(B) immediately before the date of the officer's most recent transfer to an active status, the officer had been in an inactive status for less than one year; and

"(C) immediately before the date of the officer's most recent transfer to an inactive status, the officer had continuously served for at least one year on the reserve active status list or

the active-duty list (or a combination of the reserve active status list and the active-duty list).".

SEC. 522. AUTHORITY FOR LIMITED EXTENSION OF MEDICAL DEFERMENT OF MANDATORY RETIREMENT OR SEPARATION OF RESERVE COMPONENT OFFICERS.

(a) AUTHORITY.—Chapter 1407 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 14519. Deferment of retirement or separation for medical reasons

"(a) AUTHORITY.—If, in the case of an officer required to be retired or separated under this chapter or chapter 1409 of this title, the Secretary concerned determines that the evaluation of the physical condition of the officer and determination of the officer's entitlement to retirement or separation for physical disability require hospitalization or medical observation and that such hospitalization or medical observation cannot be completed with confidence in a manner consistent with the officer's well being before the date on which the officer would otherwise be required to retire or be separated, the Secretary may defer the retirement or separation of the officer.

"(b) PERIOD OF DEFERMENT.—A deferral of retirement or separation under subsection (a) may not extend for more than 30 days after the completion of the evaluation requiring hospitalization or medical observation.".

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

"14519. Deferment of retirement or separation for medical reasons.".

Subtitle D—Enlistment, Education, and Training Programs

SEC. 531. ENLISTMENT INCENTIVES FOR PURSUIT OF SKILLS TO FACILITATE NATIONAL SERVICE.

(a) AUTHORITY.—(1) Chapter 31 of title 10, United States Code, is amended by inserting after section 509 the following new section:

"§ 510. Enlistment incentives for pursuit of skills to facilitate national service

"(a) ENLISTMENT INCENTIVE PROGRAM.—The Secretary of Defense shall carry out an enlistment incentive program in accordance with this section under which a person who is a National Call to Service participant shall be entitled to one of the incentives specified in subsection (e). The program shall be carried out during the period ending on December 31, 2007, and may be carried out after that date.

"(b) NATIONAL CALL TO SERVICE PARTICIPANT.—In this section, the term 'National Call to Service participant' means a person who has not previously served in the armed forces who enters into an original enlistment pursuant to a written agreement with the Secretary of a military department (in such form and manner as may be prescribed by that Secretary) under which the person agrees to perform a period of national service as specified in subsection (c).

"(c) NATIONAL SERVICE.—The total period of national service to which a National Call to Service participant is obligated under the agreement under this section shall be specified in the agreement. Under the agreement, the participant shall—

"(1) upon completion of initial entry training (as prescribed by the Secretary of Defense), serve on active duty in a military occupational specialty designated by the Secretary of Defense under subsection (d) for a period of 15 months;

"(2) upon completion of the period of active duty specified in paragraph (1) and without a break in service, serve either (A) an additional period of active duty as determined by the Secretary of Defense, or (B) a period of 24 months in an active status in the Selected Reserve; and

"(3) upon completion of the period of service specified in paragraph (2), and without a break in service, serve the remaining period of obligated service specified in the agreement—

"(A) on active duty in the armed forces;

"(B) in the Selected Reserve;

"(C) in the Individual Ready Reserve;

"(D) in the Peace Corps, Americorps, or another national service program jointly designated by the Secretary of Defense and the head of such program for purposes of this section; or

"(E) in any combination of service referred to in subparagraphs (A) through (D) that is approved by the Secretary of the military department concerned pursuant to regulations prescribed by the Secretary of Defense and specified in the agreement.

"(d) DESIGNATED MILITARY OCCUPATIONAL SPECIALTIES.—The Secretary of Defense shall designate military occupational specialties for purposes of subsection (c)(1). Such military occupational specialties shall be military occupational specialties that, as determined by the Secretary, will facilitate pursuit of national service by National Call to Service participants.

"(e) INCENTIVES.—The incentives specified in this subsection are as follows:

"(1) Payment of a bonus in the amount of $5,000.

"(2) Payment in an amount not to exceed $18,000 of outstanding principal and interest on qualifying student loans of the National Call to Service participant.

"(3) Entitlement to an allowance for educational assistance at the monthly rate equal to the monthly rate payable for basic educational assistance allowances under section 3015(a)(1) of title 38 for a total of 12 months.

"(4) Entitlement to an allowance for educational assistance at the monthly rate equal to 50 percent of the monthly rate payable for basic educational assistance allowances under section 3015(b)(1) of title 38 for a total of 36 months.

"(f) ELECTION OF INCENTIVE.—A National Call to Service participant shall elect in the agreement under subsection (b) which incentive under subsection (e) to receive. An election under this subsection is irrevocable.

"(g) PAYMENT OF BONUS AMOUNTS.—(1) Payment to a National Call to Service participant of the bonus elected by the National Call

to Service participant under subsection (e)(1) shall be made in such time and manner as the Secretary of Defense shall prescribe.

"(2)(A) Payment of outstanding principal and interest on the qualifying student loans of a National Call to Service participant, as elected under subsection (e)(2), shall be made in such time and manner as the Secretary of Defense shall prescribe.

"(B) Payment under this paragraph of the outstanding principal and interest on the qualifying student loans of a National Call to Service participant shall be made to the holder of such student loans, as identified by the National Call to Service participant to the Secretary of the military department concerned for purposes of such payment.

"(3) Payment of a bonus or incentive in accordance with this subsection shall be made by the Secretary of the military department concerned.

"(h) COORDINATION WITH MONTGOMERY GI BILL BENEFITS.—(1)(A) Subject to subparagraph (B), a National Call to Service participant who elects an incentive under paragraph (3) or (4) of subsection (e) is not entitled to additional educational assistance under chapter 1606 of this title or to basic educational assistance under subchapter II of chapter 30 of title 38.

"(B) If a National Call to Service participant meets all eligibility requirements specified in chapter 1606 of this title or chapter 30 of title 38 for entitlement to allowances for educational assistance under either such chapter, the participant may become eligible for allowances for educational assistance benefits under either such chapter up to the maximum allowance provided less the total amount of allowance paid under paragraph (3) or (4) of subsection (e).

"(2)(A) The Secretary of Defense shall, to the maximum extent practicable, administer the receipt by National Call to Service participants of incentives under paragraph (3) or (4) of subsection (e) as if such National Call to Service participants were, in receiving such incentives, receiving educational assistance for members of the Selected Reserve under chapter 1606 of this title.

"(B) The Secretary of Defense shall, in consultation with the Secretary of Veterans Affairs, prescribe regulations for purposes of subparagraph (A). Such regulations shall, to the maximum extent practicable, take into account the administrative provisions of chapters 30 and 36 of title 38 that are specified in section 16136 of this title.

"(3)(A) Except as provided in paragraph (1), nothing in this section shall prohibit a National Call to Service participant who satisfies through service under subsection (c) the eligibility requirements for educational assistance under chapter 1606 of this title or basic educational assistance under chapter 30 of title 38 from an entitlement to such educational assistance under chapter 1606 of this title or basic educational assistance under chapter 30 of title 38, as the case may be.

"(B)(i) A participant who made an election not to receive educational assistance under either such chapter at the applicable time specified under law or who was denied the opportunity to make an election may revoke that election or make an initial election, as the case may be, at such time and in such manner as the Secretary con-

cerned may specify. A revocation or initial election under the preceding sentence is irrevocable.

"(ii) The participant making a revocation or initial election under clause (i) shall be eligible for educational assistance under either such chapter at such time as the participant satisfies through service the applicable eligibility requirements under either such chapter.

"(i) REPAYMENT.—(1) If a National Call to Service participant who has entered into an agreement under subsection (b) and received or benefited from an incentive under subsection (e)(1) or (e)(2) fails to complete the total period of service specified in such agreement, the National Call to Service participant shall refund to the United States the amount that bears the same ratio to the amount of the incentive as the uncompleted part of such service bears to the total period of such service.

"(2) Subject to paragraph (3), an obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

"(3) The Secretary concerned may waive, in whole or in part, a reimbursement required under paragraph (1) if the Secretary concerned determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

"(4) A discharge in bankruptcy under title 11 that is entered into less than five years after the termination of an agreement entered into under subsection (b) does not discharge the person signing the agreement from a debt arising under the agreement or under paragraph (1).

"(j) FUNDING.—Amounts for payment of incentives under subsection (e), including payment of allowances for educational assistance under that subsection, shall be derived from amounts available to the Secretary of the military department concerned for payment of pay, allowances, and other expenses of the members of the armed force concerned.

"(k) REGULATIONS.—The Secretary of Defense and the Secretaries of the military departments shall prescribe regulations for purposes of the program under this section.

"(l) DEFINITIONS.—In this section:

"(1) The term 'Americorps' means the Americorps program carried out under subtitle C of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.).

"(2) The term 'qualifying student loan' means a loan, the proceeds of which were used to pay any part or all of the cost of attendance (as defined in section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll) at an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

"(3) The term 'Secretary of a military department' includes, with respect to matters concerning the Coast Guard when it is not operating as a service in the Navy, the Secretary of the Department in which the Coast Guard is operating.".

(2) The table of sections at the beginning of that chapter is amended by inserting after the item relating to section 509 the following new item:

"510. Enlistment incentives for pursuit of skills to facilitate national service.".

(b) COMMENCEMENT OF PROGRAM.—The Secretary of Defense shall prescribe the date on which the program provided for section 510 of title 10, United States Code, as added by subsection (a), shall commence. Such date shall be not later than October 1, 2003.

(c) CONFORMING REPEAL.—Section 3264 of title 10, United States Code, is repealed. The table of sections at the beginning of chapter 333 of such title is amended by striking the item relating to section 3264.

(d) IMPLEMENTATION REPORT.—Not later than March 31, 2003, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the Secretary's plans for implementation of section 510 of title 10, United States Code, as added by subsection (a).

(e) EFFECTIVENESS REPORTS.—Not later than March 31, 2005, and March 31, 2007, the Secretary of Defense shall submit to the committees specified in subsection (d) reports on the effectiveness of the program under section 510 of title 10, United States Code, as added by subsection (a), in attracting new recruits to national service.

SEC. 532. AUTHORITY FOR PHASED INCREASE TO 4,400 IN AUTHORIZED STRENGTHS FOR THE SERVICE ACADEMIES.

(a) MILITARY ACADEMY.—Section 4342 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting before the period at the end of the first sentence the following: "or such higher number as may be prescribed by the Secretary of the Army under subsection (j)"; and

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

"(j)(1) Beginning with the 2003–2004 academic year, the Secretary of the Army may prescribe annual increases in the cadet strength limit in effect under subsection (a). For any academic year, any such increase shall be by no more than 100 cadets or such lesser number as applies under paragraph (3) for that year. Such annual increases may be prescribed until the cadet strength limit is 4,400. However, no increase may be prescribed for any academic year after the 2007–2008 academic year.

"(2) Any increase in the cadet strength limit under paragraph (1) with respect to an academic year shall be prescribed not later than the date on which the budget of the President is submitted to Congress under section 1105 of title 31 for the fiscal year beginning in the same year as the year in which that academic year begins. Whenever the Secretary prescribes such an increase, the Secretary shall submit to Congress a notice in writing of the increase. The notice shall state the amount of the increase in the cadet strength limit and the new cadet strength limit, as so increased, and the amount of the increase in Senior Army Reserve Officers' Training Corps enrollment under each of sections 2104 and 2107 of this title.

"(3) The amount of an increase under paragraph (1) in the cadet strength limit for an academic year may not exceed the increase (if any) for the preceding academic year in the total number of cadets enrolled in the Army Senior Reserve Officers' Training Corps program under chapter 103 of this title who have entered into an agreement under section 2104 or 2107 of this title.

"(4) In this subsection, the term 'cadet strength limit' means the authorized maximum strength of the Corps of Cadets of the Academy.".

(b) NAVAL ACADEMY.—Section 6954 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting before the period at the end of the first sentence the following: "or such higher number as may be prescribed by the Secretary of the Navy under subsection (h)"; and

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

"(h)(1) Beginning with the 2003–2004 academic year, the Secretary of the Navy may prescribe annual increases in the midshipmen strength limit in effect under subsection (a). For any academic year, any such increase shall be by no more than 100 midshipmen or such lesser number as applies under paragraph (3) for that year. Such annual increases may be prescribed until the midshipmen strength limit is 4,400. However, no increase may be prescribed for any academic year after the 2007–2008 academic year.

"(2) Any increase in the midshipmen strength limit under paragraph (1) with respect to an academic year shall be prescribed not later than the date on which the budget of the President is submitted to Congress under section 1105 of title 31 for the fiscal year beginning in the same year as the year in which that academic year begins. Whenever the Secretary prescribes such an increase, the Secretary shall submit to Congress a notice in writing of the increase. The notice shall state the amount of the increase in the midshipmen strength limit and the new midshipmen strength limit, as so increased, and the amount of the increase in Senior Navy Reserve Officers' Training Corps enrollment under each of sections 2104 and 2107 of this title.

"(3) The amount of an increase under paragraph (1) in the midshipmen strength limit for an academic year may not exceed the increase (if any) for the preceding academic year in the total number of midshipmen enrolled in the Navy Senior Reserve Officers' Training Corps program under chapter 103 of this title who have entered into an agreement under section 2104 or 2107 of this title.

"(4) In this subsection, the term 'midshipmen strength limit' means the authorized maximum strength of the Brigade of Midshipmen.".

(c) AIR FORCE ACADEMY.—Section 9342 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting before the period at the end of the first sentence the following: "or such higher number as may be prescribed by the Secretary of the Air Force under subsection (j)"; and

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

"(j)(1) Beginning with the 2003–2004 academic year, the Secretary of the Air Force may prescribe annual increases in the cadet strength limit in effect under subsection (a). For any academic year, any such increase shall be by no more than 100 cadets or such lesser number as applies under paragraph (3) for that year. Such annual increases may be prescribed until the cadet strength limit is 4,400. However, no increase may be prescribed for any academic year after the 2007–2008 academic year.

"(2) Any increase in the cadet strength limit under paragraph (1) with respect to an academic year shall be prescribed not later than the date on which the budget of the President is submitted to Congress under sections 1105 of title 31 for the fiscal year beginning in the same year as the year in which that academic year begins. Whenever the Secretary prescribes such an increase, the Secretary shall submit to Congress a notice in writing of the increase. The notice shall state the amount of the increase in the cadet strength limit and the new cadet strength limit, as so increased, and the amount of the increase in Senior Air Force Reserve Officers' Training Corps enrollment under each of sections 2104 and 2107 of this title.

"(3) The amount of an increase under paragraph (1) in the cadet strength limit for an academic year may not exceed the increase (if any) for the preceding academic year in the total number of cadets enrolled in the Air Force Senior Reserve Officers' Training Corps program under chapter 103 of this title who have entered into an agreement under section 2104 or 2107 of this title.

"(4) In this subsection, the term 'cadet strength limit' means the authorized maximum strength of Air Force Cadets of the Academy.".

(d) TARGET FOR INCREASES IN NUMBER OF ROTC SCHOLARSHIP PARTICIPANTS.—Section 2107 of such title is amended by adding at the end the following new subsection:

"(i) The Secretary of each military department shall seek to achieve an increase in the number of agreements entered into under this section so as to achieve an increase, by the 2006–2007 academic year, of not less than 400 in the number of cadets or midshipmen, as the case may be, enrolled under this section, compared to such number enrolled for the 2002–2003 academic year. In the case of the Secretary of the Navy, the Secretary shall seek to ensure that not less than one-third of such increase in agreements under this section are with students enrolled (or seeking to enroll) in programs of study leading to a baccalaureate degree in nuclear engineering or another appropriate technical, scientific, or engineering field of study.".

(e) REPEAL OF LIMIT ON NUMBER OF ROTC SCHOLARSHIPS.—Section 2107 of such title is further amended by striking the first sentence of subsection (h)(1).

(f) REPEAL OF OBSOLETE LANGUAGE.—Section 4342(i) of such title is amended by striking "(beginning with the 2001–2002 academic year)".

SEC. 533. ENHANCEMENT OF RESERVE COMPONENT DELAYED TRAINING PROGRAM.

(a) INCREASE IN TIME FOLLOWING ENLISTMENT FOR COMMENCEMENT OF INITIAL PERIOD OF ACTIVE DUTY FOR TRAINING.—Section 12103(d) of title 10, United States Code, is amended by striking "270 days" in the last sentence and inserting "one year".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to enlistments under section 12103(d) of title 10, United States Code, after the end of the 90-day period beginning on the date of the enactment of this Act.

(c) TRANSITION.—In the case of a person who enlisted under section 12103(d) of title 10, United States Code, before the date of the enactment of this Act and who as of such date has not commenced the required initial period of active duty for training under that section, the amendment made by subsection (a) may be applied to that

person, but only with the agreement of that person and the Secretary concerned.

SEC. 534. REVIEW OF ARMED FORCES PROGRAMS FOR PREPARATION FOR, PARTICIPATION IN, AND CONDUCT OF ATHLETIC COMPETITIONS.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense shall conduct a comprehensive review of the programs of the active and reserve components of the Armed Forces for preparation for, participation in, and conduct of athletic competitions.

(b) CONSIDERATION OF FUNDING.—The matters reviewed under subsection (a) shall include the funding sources that are currently available for the programs referred to in such subsection and any relevant limitations on the use of such funding sources.

(c) REPORT.—Not later than March 3, 2003, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the Secretary's findings and conclusions resulting from the review. The report shall include the following matters:

(1) The Secretary's views on the adequacy of the existing funding sources for the programs referred to in subsection (a).

(2) Any recommendations that the Secretary may have regarding limitations on the use of such funding sources or any inadequacies in the funding for such programs.

(3) An assessment of the issues related to, and recommendations of the Secretary for, achieving consistent funding and policy treatment with regard to participation by active and reserve component personnel in athletic competitions.

(4) Any recommended legislation that the Secretary considers appropriate regarding such programs.

SEC. 535. REPEAL OF BAR TO ELIGIBILITY OF ARMY COLLEGE FIRST PROGRAM PARTICIPANTS FOR BENEFITS UNDER STUDENT LOAN REPAYMENT PROGRAM.

Subsection (e) of section 573 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 10 U.S.C. 513 note) is repealed.

Subtitle E—Decorations and Awards

SEC. 541. WAIVER OF TIME LIMITATIONS FOR AWARD OF ARMY DISTINGUISHED-SERVICE CROSS TO CERTAIN PERSONS.

(a) WAIVER.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply to awards of decorations described in subsection (b), the award of each such decoration having been determined by the Secretary of the Army to be warranted in accordance with section 1130 of title 10, United States Code.

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

(1) To Henry Johnson of Albany, New York, for extraordinary heroism in France during the period of May 13 to 15, 1918, while serving as a member of the Army.

(2) To Hilliard Carter of Jackson, Mississippi, for extraordinary heroism in actions near Troung Loung, Republic of Viet-

nam, on September 28, 1966, while serving as a member of the Army.

(3) To Albert C. Welch of Florrisant, Colorado, for extraordinary heroism in actions in Ong Thanh, Binh Long Province, Republic of Vietnam, on October 17, 1967, while serving as a member of the Army.

SEC. 542. OPTION TO CONVERT AWARD OF ARMED FORCES EXPEDITIONARY MEDAL AWARDED FOR OPERATION FREQUENT WIND TO VIETNAM SERVICE MEDAL.

(a) IN GENERAL.—The Secretary of the military department concerned shall, upon the application of an individual who is an eligible Vietnam evacuation veteran, award that individual the Vietnam Service Medal, notwithstanding any otherwise applicable requirements for the award of that medal. Any such award shall be made in lieu of the Armed Forces Expeditionary Medal awarded the individual for participation in Operation Frequent Wind.

(b) ELIGIBLE VIETNAM EVACUATION VETERAN.—For purposes of this section, the term "eligible Vietnam evacuation veteran" means a member or former member of the Armed Forces who was awarded the Armed Forces Expeditionary Medal for participation in military operations designated as Operation Frequent Wind arising from the evacuation of Vietnam on April 29 and 30, 1975.

SEC. 543. KOREA DEFENSE SERVICE MEDAL.

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

(1) More than 40,000 members of the United States Armed Forces have served in the Republic of Korea or the waters adjacent thereto each year since the signing of the cease-fire agreement in July 1953 ending the Korean War.

(2) An estimated 1,200 members of the United States Armed Forces have died as a direct result of their service in Korea since the cease-fire agreement in July 1953.

(b) ARMY.—(1) Chapter 357 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3755. Korea Defense Service Medal

"(a) The Secretary of the Army shall issue a campaign medal, to be known as the Korea Defense Service Medal, to each person who while a member of the Army served in the Republic of Korea or the waters adjacent thereto during the KDSM eligibility period and met the service requirements for the award of that medal prescribed under subsection (c).

"(b) In this section, the term 'KDSM eligibility period' means the period beginning on July 28, 1954, and ending on such date after the date of the enactment of this section as may be determined by the Secretary of Defense to be appropriate for terminating eligibility for the Korea Defense Service Medal.

"(c) The Secretary of the Army shall prescribe service requirements for eligibility for the Korea Defense Service Medal. Those requirements shall not be more stringent than the service requirements for award of the Armed Forces Expeditionary Medal for instances in which the award of that medal is authorized.".

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

"3755. Korea Defense Service Medal.".

(c) NAVY AND MARINE CORPS.—(1) Chapter 567 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 6257. Korea Defense Service Medal

"(a) The Secretary of the Navy shall issue a campaign medal, to be known as the Korea Defense Service Medal, to each person who while a member of the Navy or Marine Corps served in the Republic of Korea or the waters adjacent thereto during the KDSM eligibility period and met the service requirements for the award of that medal prescribed under subsection (c).

"(b) In this section, the term 'KDSM eligibility period' means the period beginning on July 28, 1954, and ending on such date after the date of the enactment of this section as may be determined by the Secretary of Defense to be appropriate for terminating eligibility for the Korea Defense Service Medal.

"(c) The Secretary of the Navy shall prescribe service requirements for eligibility for the Korea Defense Service Medal. Those requirements shall not be more stringent than the service requirements for award of the Armed Forces Expeditionary Medal for instances in which the award of that medal is authorized.".

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

"6257. Korea Defense Service Medal.".

(d) AIR FORCE.—(1) Chapter 857 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 8755. Korea Defense Service Medal

"(a) The Secretary of the Air Force shall issue a campaign medal, to be known as the Korea Defense Service Medal, to each person who while a member of the Air Force served in the Republic of Korea or the waters adjacent thereto during the KDSM eligibility period and met the service requirements for the award of that medal prescribed under subsection (c).

"(b) In this section, the term 'KDSM eligibility period' means the period beginning on July 28, 1954, and ending on such date after the date of the enactment of this section as may be determined by the Secretary of Defense to be appropriate for terminating eligibility for the Korea Defense Service Medal.

"(c) The Secretary of the Air Force shall prescribe service requirements for eligibility for the Korea Defense Service Medal. Those requirements shall not be more stringent than the service requirements for award of the Armed Forces Expeditionary Medal for instances in which the award of that medal is authorized.".

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

"8755. Korea Defense Service Medal.".

(e) AWARD FOR SERVICE BEFORE DATE OF ENACTMENT.—The Secretary of the military department concerned shall take appropriate steps to provide in a timely manner for the issuance of the Korea Defense Service Medal, upon application therefor, to persons whose eligibility for that medal is by reason of service in the Republic of Korea or the waters adjacent thereto before the date of the enactment of this Act.

SEC. 544. COMMENDATION OF MILITARY CHAPLAINS.

(a) FINDINGS.—Congress finds the following:

(1) Military chaplains have served with those who fought for the cause of freedom since the founding of the Nation.

(2) Military chaplains and religious support personnel of the Armed Forces have served with distinction as uniformed members of the Armed Forces in support of the Nation's defense missions during every conflict in the history of the United States.

(3) 400 United States military chaplains have died in combat, some as a result of direct fire while ministering to fallen Americans, while others made the ultimate sacrifice as a prisoner of war.

(4) Military chaplains currently serve in humanitarian operations, rotational deployments, and in the war on terrorism.

(5) Religious organizations make up the very fabric of religious diversity and represent unparalleled levels of freedom of conscience, speech, and worship that set the United States apart from any other nation on Earth.

(6) Religious organizations have richly blessed the uniformed services by sending clergy to comfort and encourage all persons of faith in the Armed Forces.

(7) During the sinking of the USS Dorchester in February 1943 during World War II, four chaplains (Reverend Fox, Reverend Poling, Father Washington, and Rabbi Goode) gave their lives so that others might live.

(8) All military chaplains aid and assist members of the Armed Forces and their family members with the challenging issues of today's world.

(9) The current war against terrorism has brought to the shores of the United States new threats and concerns that strike at the beliefs and emotions of Americans.

(10) Military chaplains must, as never before, deal with the spiritual well-being of the members of the Armed Forces and their families.

(b) COMMENDATION.—Congress, on behalf of the Nation, expresses its appreciation for the outstanding contribution that all military chaplains make to the members of the Armed Forces and their families.

(c) PRESIDENTIAL PROCLAMATION.—The President is authorized and requested to issue a proclamation calling on the people of the United States to recognize the distinguished service of the Nation's military chaplains.

Subtitle F—Administrative Matters

SEC. 551. STAFFING AND FUNDING FOR DEFENSE PRISONER OF WAR/MISSING PERSONNEL OFFICE.

(a) REQUIREMENT FOR STAFFING AND FUNDING AT LEVELS REQUIRED FOR PERFORMANCE OF FULL RANGE OF MISSIONS.—Subsection (a) of section 1501 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) The Secretary of Defense shall ensure that the office is provided sufficient military and civilian personnel, and sufficient funding, to enable the office to fully perform the complete range of

missions of the office. The Secretary shall ensure that Department of Defense programming, planning, and budgeting procedures are structured so as to ensure compliance with the preceding sentence for each fiscal year.

"(B) For any fiscal year, the number of military and civilian personnel assigned or detailed to the office may not be less than the number requested in the President's budget for fiscal year 2003, unless a level below such number is expressly required by law.

"(C) For any fiscal year, the level of funding allocated to the office within the Department of Defense may not be below the level requested for such purposes in the President's budget for fiscal year 2003, unless such a level of funding is expressly required by law.".

(b) NAME OF OFFICE.—Such subsection is further amended by inserting after the first sentence of paragraph (1) the following new sentence: "Such office shall be known as the Defense Prisoner of War/Missing Personnel Office.".

SEC. 552. THREE-YEAR FREEZE ON REDUCTIONS OF PERSONNEL OF AGENCIES RESPONSIBLE FOR REVIEW AND CORRECTION OF MILITARY RECORDS.

(a) IN GENERAL.—Chapter 79 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1559. Personnel limitation

"(a) LIMITATION.—During fiscal years 2003, 2004, and 2005, the Secretary of a military department may not carry out any reduction in the number of military and civilian personnel assigned to duty with the service review agency for that military department below the baseline number for that agency until—

"(1) the Secretary submits to Congress a report that—

"(A) describes the reduction proposed to be made;

"(B) provides the Secretary's rationale for that reduction; and

"(C) specifies the number of such personnel that would be assigned to duty with that agency after the reduction; and

"(2) a period of 90 days has elapsed after the date on which the report is submitted.

"(b) BASELINE NUMBER.—The baseline number for a service review agency under this section is—

"(1) for purposes of the first report with respect to a service review agency under this section, the number of military and civilian personnel assigned to duty with that agency as of January 1, 2002; and

"(2) for purposes of any subsequent report with respect to a service review agency under this section, the number of such personnel specified in the most recent report with respect to that agency under this section.

"(c) SERVICE REVIEW AGENCY DEFINED.—In this section, the term 'service review agency' means—

"(1) with respect to the Department of the Army, the Army Review Boards Agency;

"(2) with respect to the Department of the Navy, the Board for Correction of Naval Records; and

"(3) with respect to the Department of the Air Force, the Air Force Review Boards Agency.".

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

"1559. Personnel limitation.".

SEC. 553. AUTHORITY FOR ACCEPTANCE OF VOLUNTARY SERVICES OF INDIVIDUALS AS PROCTORS FOR ADMINISTRATION OF ARMED SERVICES VOCATIONAL APTITUDE BATTERY TEST.

Section 1588(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(6) Voluntary services as a proctor for administration to secondary school students of the test known as the 'Armed Services Vocational Aptitude Battery'.".

SEC. 554. EXTENSION OF TEMPORARY EARLY RETIREMENT AUTHORITY.

Effective January 1, 2002, section 4403(i) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1293 note) is amended by striking "December 31, 2001" and inserting "September 1, 2002".

Subtitle G—Matters Relating to Minorities and Women in the Armed Forces

SEC. 561. SURVEYS OF RACIAL AND ETHNIC ISSUES AND OF GENDER ISSUES IN THE ARMED FORCES.

(a) DIVISION OF ANNUAL SURVEY INTO FOUR QUADRENNIAL SURVEYS.—(1) Section 481 of title 10, United States Code, is amended to read as follows:

"§ 481. Racial and ethnic issues; gender issues: surveys

"(a) IN GENERAL.—(1) The Secretary of Defense shall carry out four quadrennial surveys (each in a separate year) in accordance with this section to identify and assess racial and ethnic issues and discrimination, and to identify and assess gender issues and discrimination, among members of the armed forces. Each such survey shall be conducted so as to identify and assess the extent (if any) of activity among such members that may be seen as so-called 'hate group' activity.

"(2) The four surveys shall be as follows:

"(A) To identify and assess racial and ethnic issues and discrimination among members of the armed forces serving on active duty.

"(B) To identify and assess racial and ethnic issues and discrimination among members of the armed forces in the reserve components.

"(C) To identify and assess gender issues and discrimination among members of the armed forces serving on active duty.

"(D) To identify and assess gender issues and discrimination members of the armed forces in the reserve components.

"(3) The surveys under this section relating to racial and ethnic issues and discrimination shall be known as the 'Armed Forces Workplace and Equal Opportunity Surveys'. The surveys under this section relating to gender issues and discrimination shall be known as the 'Armed Forces Workplace and Gender Relations Surveys'.

"(4) Each survey under this section shall be conducted separately from any other survey conducted by the Department of Defense.

"(b) ARMED FORCES WORKPLACE AND EQUAL OPPORTUNITY SURVEYS.—The Armed Forces Workplace and Equal Opportunity Surveys shall be conducted so as to solicit information on racial and ethnic issues, including issues relating to harassment and discrimination, and the climate in the armed forces for forming professional relationships among members of the armed forces of various racial and ethnic groups. Both such surveys shall be conducted so as to solicit information on the following:

"(1) Indicators of positive and negative trends for professional and personal relationships among members of all racial and ethnic groups.

"(2) The effectiveness of Department of Defense policies designed to improve relationships among all racial and ethnic groups.

"(3) The effectiveness of current processes for complaints on and investigations into racial and ethnic discrimination.

"(c) ARMED FORCES WORKPLACE AND GENDER RELATIONS SURVEYS.—The Armed Forces Workplace and Gender Relations Surveys shall be conducted so as to solicit information on gender issues, including issues relating to gender-based harassment and discrimination, and the climate in the armed forces for forming professional relationships between male and female members of the armed forces. Both such surveys shall be conducted so as to solicit information on the following:

"(1) Indicators of positive and negative trends for professional and personal relationships between male and female members of the armed forces.

"(2) The effectiveness of Department of Defense policies designed to improve professional relationships between male and female members of the armed forces.

"(3) The effectiveness of current processes for complaints on and investigations into gender-based discrimination.

"(d) SURVEYS TO BE CONDUCTED IN DIFFERENT YEARS.—Each of the four quadrennial surveys conducted under this section shall be conducted in a different year from any other survey conducted under this section, so that one such survey is conducted during each year.

"(e) REPORTS TO CONGRESS.—Upon the completion of a survey under this section, the Secretary shall submit to Congress a report containing the results of the survey.

"(f) INAPPLICABILITY TO COAST GUARD.—This section does not apply to the Coast Guard.".

(2) The item relating to such section in the table of sections at the beginning of chapter 23 of such title is amended to read as follows:

"481. Racial and ethnic issues; gender issues: surveys.".

(b) EFFECTIVE DATE.—The first survey under section 481 of title 10, United States Code, as amended by subsection (a)(1), shall be carried out during 2003.

SEC. 562. ANNUAL REPORT ON STATUS OF FEMALE MEMBERS OF THE ARMED FORCES.

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense shall submit to Congress, for each of fiscal years 2002 through 2006, a report on the status of female members of the Armed Forces. Information in the annual report shall be shown for the Department of Defense as a whole and separately for each of the Army, Navy, Air Force, and Marine Corps.

(b) MATTERS TO BE INCLUDED.—The report for a fiscal year under subsection (a) shall include the following information:

(1) The positions, weapon systems, and fields of skills for which, by policy, female members are not eligible for assignment, as follows:

(A) In the report for fiscal year 2002—

(i) an identification of each position, weapon system, and field of skills for which, by policy, female members are not eligible; and

(ii) the rationale for the applicability of the policy to each such position, weapon system, and field.

(B) In the report for each fiscal year after fiscal year 2002, the positions, weapon systems, and fields for which policy on the eligibility of female members for assignment has changed during that fiscal year, including a discussion of how the policy has changed and the rationale for the change.

(2) Information on joint spouse assignments, as follows:

(A) The number of cases in which members of the Armed Forces married to each other are in assignments to which they were jointly assigned during that fiscal year, as defined in the applicable Department of Defense and military department personnel assignment policies.

(B) The number of cases in which members of the Armed Forces married to each other are in assignments to which they were assigned during that fiscal year, but were not jointly assigned (as so defined).

(3) Promotion selection rates for female members, for male members, and for all personnel in the reports submitted by promotion selection boards in that fiscal year for promotion to grades E–7, E–8, and E–9, and, in the case of commissioned officers, promotion to grades O–4, O–5, and O–6.

(4) Retention rates for female members in each grade and for male members in each grade during that fiscal year.

(5) Selection rates for female members and for male members for assignment to grade O–6 and grade O–5 command positions in reports of command selection boards that were submitted during that fiscal year.

(6) Selection rates for female members and for male members for attendance at intermediate service schools (ISS) and, separately, for attendance at senior service schools (SSS) in reports of selection boards that were submitted during that fiscal year.

(7) The extent of assignments of female members during that fiscal year in each field in which at least 80 percent of the Armed Forces personnel assigned in the field are men.

(8) The incidence of sexual harassment complaints made during that fiscal year, stated as the number of cases in which complaints of sexual harassment were filed under procedures of military departments that are applicable to the submission of sexual harassment complaints, together with the number and percent of the complaints that were substantiated.

(9) Satisfaction (based on surveys) of female active-duty members, female dependents of active-duty members, and female dependents of nonactive duty members entitled to health care provided by the Department of Defense with access to, and quality of, women's health care benefits provided by the Department of Defense.

(c) TIME FOR REPORT.—The report for a fiscal year under this section shall be submitted not later than 120 days after the end of that fiscal year.

SEC. 563. WEAR OF ABAYAS BY FEMALE MEMBERS OF THE ARMED FORCES IN SAUDI ARABIA.

(a) PROHIBITION RELATING TO WEAR OF ABAYAS.—No member of the Armed Forces having authority over a member of the Armed Forces and no officer or employee of the United States having authority over a member of the Armed Forces may require or encourage that member to wear the abaya garment or any part of the abaya garment while the member is in the Kingdom of Saudi Arabia pursuant to a permanent change of station or orders for temporary duty.

(b) INSTRUCTION.—(1) The Secretary of Defense shall provide each female member of the Armed Forces ordered to a permanent change of station or temporary duty in the Kingdom of Saudi Arabia with instruction regarding the prohibition in subsection (a). Such instruction shall be provided immediately upon or not more than 48 hours prior to the arrival of the member at a United States military installation within the Kingdom of Saudi Arabia. The instruction shall be presented orally and in writing. The written instruction shall include the full text of this section.

(2) In carrying out paragraph (1), the Secretary shall act through the Commander in Chief, United States Central Command and Joint Task Force Southwest Asia, and the commanders of the Army, Navy, Air Force, and Marine Corps components of the United States Central Command and Joint Task Force Southwest Asia.

(c) PROHIBITION ON USE OF FUNDS FOR PROCUREMENT OF ABAYAS.—Funds appropriated or otherwise made available to the Department of Defense may not be used to procure abayas for regular or routine issuance to members of the Armed Forces serving in the Kingdom of Saudi Arabia or for any personnel of contractors accompanying the Armed Forces in the Kingdom of Saudi Arabia in the performance of contracts entered into by the United States with such contractors.

Subtitle H—Benefits

SEC. 571. DEPARTMENT OF DEFENSE SUPPORT FOR PERSONS PARTICIPATING IN MILITARY FUNERAL HONORS DETAILS.

Section 1491(d) of title 10, United States Code, is amended—

(1) by striking "To provide a" after "SUPPORT.—" and inserting "(1) To support a";

(2) by redesignating paragraph (1) as subparagraph (A) and amending such subparagraph, as so redesignated, to read as follows:

"(A) For a person who participates in a funeral honors detail (other than a person who is a member of the armed forces not in a retired status or an employee of the United States), either transportation (or reimbursement for transportation) and expenses or the daily stipend prescribed under paragraph (2).";

(3) by redesignating paragraph (2) as subparagraph (B) and in that subparagraph—

(A) by striking "Materiel, equipment, and training for" and inserting "For"; and

(B) by inserting before the period at the end "and for members of the armed forces in a retired status, materiel, equipment, and training";

(4) by redesignating paragraph (3) as subparagraph (C) and in that subparagraph—

(A) by striking "Articles of clothing for" and inserting "For"; and

(B) by inserting ", articles of clothing" after "subsection (b)(2)"; and

(5) by adding at the end the following new paragraphs:

"(2) The Secretary of Defense shall prescribe annually a flat rate daily stipend for purposes of paragraph (1)(A). Such stipend shall be set at a rate so as to encompass typical costs for transportation and other miscellaneous expenses for persons participating in funeral honors details who are members of the armed forces in a retired status and other persons who are not members of the armed forces or employees of the United States.

"(3) A stipend paid under this subsection to a member of the armed forces in a retired status is in addition to any compensation to which the member is entitled under section 435(a)(2) of title 37 and any other compensation to which the member may be entitled.".

SEC. 572. EMERGENCY LEAVE OF ABSENCE PROGRAM.

(a) IN GENERAL.—Chapter 40 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 709. Emergency leave of absence

"(a) EMERGENCY LEAVE OF ABSENCE.—The Secretary concerned may grant a member of the armed forces emergency leave of absence for a qualifying emergency.

"(b) LIMITATIONS.—An emergency leave of absence under this section—

"(1) may be granted only once for any member;

"(2) may be granted only to prevent the member from entering unearned leave status or excess leave status; and

"(3) may not extend for a period of more than 14 days.

"(c) QUALIFYING EMERGENCY.—In this section, the term 'qualifying emergency', with respect to a member of the armed forces, means a circumstance that—

"(1) is due to—

"(A) a medical condition of a member of the immediate family of the member; or

"(B) any other hardship that the Secretary concerned determines appropriate for purposes of this section; and

"(2) is verified to the Secretary's satisfaction based upon information or opinion from a source in addition to the member that the Secretary considers to be objective and reliable.

"(d) MILITARY DEPARTMENT REGULATIONS.—Regulations prescribed under this section by the Secretaries of the military department shall be as uniform as practicable and shall be subject to approval by the Secretary of Defense.

"(e) DEFINITIONS.—In this section:

"(1) The term 'unearned leave status' means leave approved to be used by a member of the armed forces that exceeds the amount of leave credit that has been accrued as a result of the member's active service and that has not been previously used by the member.

"(2) The term 'excess leave status' means leave approved to be used by a member of the armed forces that is unearned leave for which a member is unable to accrue leave credit during the member's current term of service before the member's separation.".

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

"709. Emergency leave of absence.".

SEC. 573. ENHANCED FLEXIBILITY IN MEDICAL LOAN REPAYMENT PROGRAM.

(a) ELIGIBLE PERSONS.—Subsection (d) of section 2173 of title 10, United States Code, is amended by striking "Participants" and all that follows through "and students" and inserting "Students".

(b) LOAN REPAYMENT AMOUNTS.—Subsection (e)(2) of such section is amended by striking the last sentence.

SEC. 574. DESTINATIONS AUTHORIZED FOR GOVERNMENT PAID TRANSPORTATION OF ENLISTED PERSONNEL FOR REST AND RECUPERATION ABSENCE UPON EXTENDING DUTY AT DESIGNATED LOCATIONS OVERSEAS.

(a) EXPANSION OF BENEFITS.—Subsection (b)(2) of section 705 of title 10, United States Code, is amended by inserting before the period at the end the following: ", or to an alternative destination and return at a cost not to exceed the cost of round-trip transportation from the location of the extended tour of duty to such nearest port".

(b) CHANGE IN TERMINOLOGY.—(1) Subsection (b) of such section is further amended by striking "recuperative" in paragraphs (1) and (2) and inserting "recuperation".

(2)(A) The heading of such section is amended to read as follows:

"§ 705. Rest and recuperation absence: qualified enlisted members extending duty at designated locations overseas".

(B) The item relating to such section in the table of sections at the beginning of chapter 40 of such title is amended to read as follows:

"705. Rest and recuperation absence: qualified enlisted members extending duty at designated locations overseas.".

SEC. 575. VEHICLE STORAGE IN LIEU OF TRANSPORTATION WHEN MEMBER IS ORDERED TO A NONFOREIGN DUTY STATION OUTSIDE CONTINENTAL UNITED STATES.

(a) STORAGE COSTS AUTHORIZED.—Subsection (b) of section 2634 of title 10, United States Code, is amended by striking paragraphs (1) and (2) and inserting the following:

"(b)(1) When a member receives a vehicle storage qualifying order, the member may elect to have a motor vehicle described in subsection (a) stored at the expense of the United States at a location approved by the Secretary concerned. In the case of a vehicle storage qualifying order that is to make a change of permanent station, such storage is in lieu of transportation authorized by subsection (a).

"(2) In this subsection, the term 'vehicle storage qualifying order' means any of the following:

"(A) An order to make a change of permanent station to a foreign country in a case in which the laws, regulations, or other restrictions imposed by the foreign country or by the United States either—

"(i) preclude entry of a motor vehicle described in subsection (a) into that country; or

"(ii) would require extensive modification of the vehicle as a condition to entry.

"(B) An order to make a change of permanent station to a nonforeign area outside the continental United States in a case in which the laws, regulations, or other restrictions imposed by that area or by the United States either—

"(i) preclude entry of a motor vehicle described in subsection (a) into that area; or

"(ii) would require extensive modification of the vehicle as a condition to entry.

"(C) An order under which a member is transferred or assigned in connection with a contingency operation to duty at a location other than the permanent station of the member for a period of more than 30 consecutive days but which is not considered a change of permanent station.".

(b) NONFOREIGN AREA OUTSIDE THE CONTINENTAL UNITED STATES DEFINED.—Subsection (h) of such section is amended by adding at the end the following new paragraph:

"(3) The term 'nonforeign area outside the continental United States' means any of the following: the States of Alaska and Hawaii, the Commonwealths of Puerto Rico and the Northern Mariana Islands, and any possession of the United States.".

(c) EFFECTIVE DATE.—The amendments made by this section apply to orders to make a change of permanent station to a nonforeign area outside the continental United States (as such term is defined in subsection (h)(3) of section 2634 of title 10, United States Code, as added by subsection (b)) that are issued on or after the date of the enactment of this Act.

Subtitle I—Reports

SEC. 581. QUADRENNIAL QUALITY OF LIFE REVIEW.

(a) REQUIREMENT FOR REVIEW.—(1) Chapter 2 of title 10, United States Code, is amended by inserting after section 118 the following new section:

"§ 118a. Quadrennial quality of life review

"(a) REVIEW REQUIRED.—(1) The Secretary of Defense shall every four years conduct a comprehensive examination of the quality of life of the members of the armed forces (to be known as the 'quadrennial quality of life review'). The review shall include examination of the programs, projects, and activities of the Department of Defense, including the morale, welfare, and recreation activities.

"(2) The quadrennial quality of life review shall be designed to result in determinations, and to foster policies and actions, that reflect the priority given the quality of life of members of the armed forces as a primary concern of the Department of Defense leadership.

"(b) CONDUCT OF REVIEW.—Each quadrennial quality of life review shall be conducted so as—

"(1) to assess quality of life priorities and issues 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);

"(2) to identify actions that are needed in order to provide members of the armed forces with the quality of life reasonably necessary to encourage the successful execution of the full range of missions that the members are called on to perform under the national security strategy; and

"(3) to identify other actions that have the potential for improving the quality of life of the members of the armed forces.

"(c) CONSIDERATIONS.—The Secretary shall consider addressing the following matters as part of the quadrennial quality of life review:

"(1) Infrastructure.

"(2) Military construction.

"(3) Physical conditions at military installations and other Department of Defense facilities.

"(4) Budget plans.

"(5) Adequacy of medical care for members of the armed forces and their dependents.

"(6) Adequacy of housing and the basic allowance for housing and basic allowance for subsistence.

"(7) Housing-related utility costs.

"(8) Educational opportunities and costs.

"(9) Length of deployments.

"(10) Rates of pay and pay differentials between the pay of members and the pay of civilians.

"(11) Retention and recruiting efforts.

"(12) Workplace safety.

"(13) Support services for spouses and children.

"(14) Other elements of Department of Defense programs and Government policies and programs that affect the quality of life of members.

"(d) SUBMISSION TO CONGRESSIONAL COMMITTEES.—(1) The Secretary shall submit a report on each quadrennial quality of life review to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives. The report shall include the following:

"(A) The assumptions used in the review.

"(B) The results of the review, including a comprehensive discussion of how the quality of life of members of the armed forces affects the national security strategy of the United States.

"(2) The report shall be submitted in the year following the year in which the review is conducted, but not later than the date on which the President submits the budget for the next fiscal year to Congress under section 1105(a) of title 31.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 118 the following new item:

"118a. Quadrennial quality of life review.".

(b) FIRST QUADRENNIAL QUALITY OF LIFE REVIEW.—The first quadrennial quality of life review under section 118a of title 10, United States Code, as added by subsection (a), shall be conducted during 2003, and the report on that review required to be submitted to Congress under subsection (d) of such section shall be submitted not later than the date on which the President submits the budget for fiscal year 2005 to Congress.

SEC. 582. REPORT ON DESIRABILITY AND FEASIBILITY OF CONSOLIDATING SEPARATE COURSES OF BASIC INSTRUCTION FOR JUDGE ADVOCATES.

Not later than February 1, 2003, 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 desirability and feasibility of consolidating the separate Army, Navy, and Air Force courses of basic instruction for judge advocates into a single course to be conducted at a single location. The report shall include—

(1) an assessment of the advantages and disadvantages of such a consolidation;

(2) a recommendation as to whether such a consolidation is desirable and feasible; and

(3) any proposal for legislative action that the Secretary considers appropriate for carrying out such a consolidation.

SEC. 583. REPORTS ON EFFORTS TO RESOLVE STATUS OF CAPTAIN MICHAEL SCOTT SPEICHER, UNITED STATES NAVY.

(a) REPORTS.— Not later than 90 days after the date of the enactment of this Act, and every 120 days thereafter, the Secretary of Defense shall submit to Congress a report on the efforts of the United States Government to determine the status of Captain Michael Scott Speicher, United States Navy, whose aircraft was shot down over Iraq on the night of January 17, 1991. Each such report shall be prepared in consultation with the Secretary of State and the Director of Central Intelligence.

(b) PERIOD COVERED BY REPORTS.—The first report under subsection (a) shall cover efforts described in that subsection from the time that Michael Scott Speicher's aircraft was shot down over Iraq until the date of the report, and each subsequent report shall cover efforts described in that subsection since the last such report.

(c) REPORT ELEMENTS.—Each report under subsection (a) shall describe, for the period covered by such report, the following:

(1) All direct and indirect contacts by the United States Government with the Government of Iraq regarding the status of Michael Scott Speicher.

(2) Any request made by the United States Government to the government of another country, including the intelligence service of such country, for assistance in resolving the status of Michael Scott Speicher, including the response to such request.

(3) Each current lead on the status of Michael Scott Speicher, including an assessment of the utility of such lead in resolving the status of Michael Scott Speicher.

(4) Any cooperation with nongovernmental organizations or international organizations in resolving the status of Michael Scott Speicher, including the results of such cooperation.

(d) FORM OF REPORTS.—Each report under subsection (a) shall be submitted in classified or unclassified form. To the extent submitted in classified form, such report shall include an unclassified summary.

(e) DURATION.—The requirement to submit reports under this section shall cease to be effective upon a final determination regarding the status of Michael Scott Speicher by the Secretary of Defense.

SEC. 584. REPORT ON VOLUNTEER SERVICES OF MEMBERS OF THE RESERVE COMPONENTS IN EMERGENCY RESPONSE TO THE TERRORIST ATTACKS OF SEPTEMBER 11, 2001.

(a) REQUIREMENT FOR REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on volunteer services described in subsection (b) that were provided by members of the reserve components of the Armed Forces, while not in a duty status pursuant to orders, during the period of September 11 through September 14, 2001. The report shall include a discussion of any recognition that the Secretary considers appropriate for those members regarding the provision of such services.

(b) COVERED VOLUNTEER SERVICES.—The volunteer services referred to in subsection (a) are volunteer services of a military-unique nature that were provided—

(1) in the vicinity of the site of the World Trade Center, New York, New York, in support of emergency response to the terrorist attack on the World Trade Center on September 11, 2001;

(2) in the vicinity of the Pentagon, Arlington, Virginia, in support of emergency response to the terrorist attack on the Pentagon on September 11, 2001; or

(3) in the vicinity of Shanksville, Pennsylvania, in support of emergency response to the terrorist-caused crash of United Airlines Flight 93 in Shanksville, Pennsylvania, on September 11, 2001.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Increase in basic pay for fiscal year 2003.
Sec. 602. Basic allowance for housing in cases of low-cost or no-cost moves.
Sec. 603. Rate of basic allowance for subsistence for enlisted personnel occupying single Government quarters without adequate availability of meals.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. One-year extension of certain bonus and special pay authorities for reserve forces.
Sec. 612. One-year extension of certain bonus and special pay authorities for certain health care professionals.
Sec. 613. One-year extension of special pay and bonus authorities for nuclear officers.
Sec. 614. One-year extension of other bonus and special pay authorities.
Sec. 615. Increase in maximum rates for certain special pays, bonuses, and financial assistance for health care professionals.
Sec. 616. Assignment incentive pay.
Sec. 617. Increase in maximum rates for prior service enlistment bonus.
Sec. 618. Retention incentives for health care professionals qualified in a critical military skill.

Subtitle C—Travel and Transportation Allowances

Sec. 621. Extension of leave travel deferral period for members performing consecutive overseas tours of duty.
Sec. 622. Transportation of motor vehicles for members reported missing.

Subtitle D—Retired Pay and Survivor Benefits

Sec. 631. Permanent reduction from eight to six in number of years of reserve service required for eligibility for retired pay for non-regular service.
Sec. 632. Increased retired pay for enlisted Reserves credited with extraordinary heroism.
Sec. 633. Elimination of possible inversion in retired pay cost-of-living adjustment for initial COLA computation.
Sec. 634. Technical revisions to so-called "forgotten widows" annuity program.
Sec. 635. Expansion of authority of Secretary of Defense to waive time limitations on claims against the Government for military personnel benefits.
Sec. 636. Special compensation for certain combat-related disabled uniformed services retirees.

Subtitle E—Montgomery GI Bill

Sec. 641. Time limitation for use of Montgomery GI Bill entitlement by members of the Selected Reserve.
Sec. 642. Repayment requirements under Reserve Component Montgomery GI Bill arising from failure to participate satisfactorily in military service to be considered debts owed to the United States.
Sec. 643. Technical adjustments to authority for certain members to transfer educational assistance under Montgomery GI Bill to dependents.

Subtitle F—Other Matters

Sec. 651. Payment of interest on student loans.
Sec. 652. Additional authority to provide assistance for families of members of the Armed Forces.
Sec. 653. Repeal of authority for acceptance of honoraria by personnel at certain Department of Defense schools.
Sec. 654. Addition of definition of continental United States in title 37.

Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2003.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during fiscal year 2003 required by section 1009 of title 37, United States Code, in the rates of monthly basic pay authorized members of the uniformed services shall not be made.

(b) INCREASE IN BASIC PAY.—Effective on January 1, 2003, the rates of monthly basic pay for members of the uniformed services within each pay grade are as follows:

COMMISSIONED OFFICERS [1]

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
0–10 [2]	$0.00	$0.00	$0.00	$0.00	$0.00
0–9	0.00	0.00	0.00	0.00	0.00
0–8	7,474.50	7,719.30	7,881.60	7,927.20	8,129.40
0–7	6,210.90	6,499.20	6,633.00	6,739.20	6,930.90
0–6	4,603.20	5,057.10	5,388.90	5,388.90	5,409.60
0–5	3,837.60	4,323.00	4,622.40	4,678.50	4,864.80
0–4	3,311.10	3,832.80	4,088.70	4,145.70	4,383.00
0–3 [3]	2,911.20	3,300.30	3,562.20	3,883.50	4,069.50
0–2 [3]	2,515.20	2,864.70	3,299.40	3,410.70	3,481.20
0–1 [3]	2,183.70	2,272.50	2,746.80	2,746.80	2,746.80
	Over 8	Over 10	Over 12	Over 14	Over 16
0–10 [2]	$0.00	$0.00	$0.00	$0.00	$0.00
0–9	0.00	0.00	0.00	0.00	0.00
0–8	8,468.70	8,547.30	8,868.90	8,961.30	9,238.20
0–7	7,120.80	7,340.40	7,559.40	7,779.00	8,468.70
0–6	5,641.20	5,672.10	5,672.10	5,994.60	6,564.30
0–5	4,977.00	5,222.70	5,403.00	5,635.50	5,991.90
0–4	4,637.70	4,954.50	5,201.40	5,372.70	5,471.10
0–3 [3]	4,273.50	4,405.80	4,623.30	4,736.10	4,736.10
0–2 [3]	3,481.20	3,481.20	3,481.20	3,481.20	3,481.20
0–1 [3]	2,746.80	2,746.80	2,746.80	2,746.80	2,746.80
	Over 18	Over 20	Over 22	Over 24	Over 26
0–10 [2]	$0.00	$12,077.70	$12,137.10	$12,389.40	$12,829.20
0–9	0.00	10,563.60	10,715.70	10,935.60	11,319.60
0–8	9,639.00	10,008.90	10,255.80	10,255.80	10,255.80
0–7	9,051.30	9,051.30	9,051.30	9,051.30	9,096.90
0–6	6,898.80	7,233.30	7,423.50	7,616.10	7,989.90
0–5	6,161.70	6,329.10	6,519.60	6,519.60	6,519.60
0–4	5,528.40	5,528.40	5,528.40	5,528.40	5,528.40
0–3 [3]	4,736.10	4,736.10	4,736.10	4,736.10	4,736.10
0–2 [3]	3,481.20	3,481.20	3,481.20	3,481.20	3,481.20
0–1 [3]	2,746.80	2,746.80	2,746.80	2,746.80	2,746.80

[1] Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades 0–7 through 0–10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.

[2] Subject to the preceding footnote, the rate of basic pay for an officer in this grade while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard is $14,155.50, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

[3] This table does not apply to commissioned officers in pay grade 0–1, 0–2, or 0–3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
0–3E	$0.00	$0.00	$0.00	$3,883.50	$4,069.50
0–2E	0.00	0.00	0.00	3,410.70	3,481.20
0–1E	0.00	0.00	0.00	2,746.80	2,933.70
	Over 8	Over 10	Over 12	Over 14	Over 16
0–3E	$4,273.50	$4,405.80	$4,623.30	$4,806.30	$4,911.00
0–2E	3,591.90	3,778.80	3,923.40	4,031.10	4,031.10
0–1E	3,042.00	3,152.70	3,261.60	3,410.70	3,410.70
	Over 18	Over 20	Over 22	Over 24	Over 26
0–3E	$5,054.40	$5,054.40	$5,054.40	$5,054.40	$5,054.40
0–2E	4,031.10	4,031.10	4,031.10	4,031.10	4,031.10

COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O–1E	3,410.70	3,410.70	3,410.70	3,410.70	3,410.70

WARRANT OFFICERS [1]

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
W–5	$0.00	$0.00	$0.00	$0.00	$0.00
W–4	3,008.10	3,236.10	3,329.10	3,420.60	3,578.10
W–3	2,747.10	2,862.00	2,979.30	3,017.70	3,141.00
W–2	2,416.50	2,554.50	2,675.10	2,763.00	2,838.30
W–1	2,133.90	2,308.50	2,425.50	2,501.10	2,662.50
	Over 8	Over 10	Over 12	Over 14	Over 16
W–5	$0.00	$0.00	$0.00	$0.00	$0.00
W–4	3,733.50	3,891.00	4,044.60	4,203.60	4,356.00
W–3	3,281.70	3,467.40	3,580.50	3,771.90	3,915.60
W–2	2,993.10	3,148.50	3,264.00	3,376.50	3,453.90
W–1	2,782.20	2,888.40	3,006.90	3,085.20	3,203.40
	Over 18	Over 20	Over 22	Over 24	Over 26
W–5	$0.00	$5,169.30	$5,346.60	$5,524.50	$5,703.30
W–4	4,512.00	4,664.40	4,822.50	4,978.20	5,137.50
W–3	4,058.40	4,201.50	4,266.30	4,407.00	4,548.00
W–2	3,579.90	3,705.90	3,831.00	3,957.30	3,957.30
W–1	3,320.70	3,409.50	3,409.50	3,409.50	3,409.50

[1] Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for warrant officers may not exceed the rate of pay for level V of the Executive Schedule.

ENLISTED MEMBERS [1]

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E–9 [2]	$0.00	$0.00	$0.00	$0.00	$0.00
E–8	0.00	0.00	0.00	0.00	0.00
E–7	2,068.50	2,257.80	2,343.90	2,428.20	2,516.40
E–6	1,770.60	1,947.60	2,033.70	2,117.10	2,204.10
E–5	1,625.40	1,733.70	1,817.40	1,903.50	2,037.00
E–4	1,502.70	1,579.80	1,665.30	1,749.30	1,824.00
E–3	1,356.90	1,442.10	1,528.80	1,528.80	1,528.80
E–2	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
E–1	[3] 1,150.80	1,150.80	1,150.80	1,150.80	1,150.80
	Over 8	Over 10	Over 12	Over 14	Over 16
E–9 [2]	$0.00	$3,564.30	$3,645.00	$3,747.00	$3,867.00
E–8	2,975.40	3,061.20	3,141.30	3,237.60	3,342.00
E–7	2,667.90	2,753.40	2,838.30	2,990.40	3,066.30
E–6	2,400.90	2,477.40	2,562.30	2,636.70	2,663.10
E–5	2,151.90	2,236.80	2,283.30	2,283.30	2,283.30
E–4	1,824.00	1,824.00	1,824.00	1,824.00	1,824.00
E–3	1,528.80	1,528.80	1,528.80	1,528.80	1,528.80
E–2	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
E–1	1,150.80	1,150.80	1,150.80	1,150.80	1,150.80
	Over 18	Over 20	Over 22	Over 24	Over 26
E–9 [2]	$3,987.30	$4,180.80	$4,344.30	$4,506.30	$4,757.40
E–8	3,530.10	3,625.50	3,787.50	3,877.50	4,099.20
E–7	3,138.60	3,182.70	3,331.50	3,427.80	3,671.40
E–6	2,709.60	2,709.60	2,709.60	2,709.60	2,709.60
E–5	2,283.30	2,283.30	2,283.30	2,283.30	2,283.30

ENLISTED MEMBERS [1]—Continued

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E–4	1,824.00	1,824.00	1,824.00	1,824.00	1,824.00
E–3	1,528.80	1,528.80	1,528.80	1,528.80	1,528.80
E–2	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
E–1	1,150.80	1,150.80	1,150.80	1,150.80	1,150.80

[1] Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

[2] Subject to the preceding footnote, the rate of basic pay for an enlisted member in this grade while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay is $5,732.70, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

[3] In the case of members in pay grade E–1 who have served less than 4 months on active duty, the rate of basic pay is $1,064.70.

SEC. 602. BASIC ALLOWANCE FOR HOUSING IN CASES OF LOW-COST OR NO-COST MOVES.

Section 403 of title 37, United States Code, is amended—

(1) by transferring paragraph (7) of subsection (b) to the end of the section; and

(2) in such paragraph—

(A) by striking "(7)" and all that follows through "circumstances of which make it necessary that the member be" and inserting "(o) TREATMENT OF LOW-COST AND NO-COST MOVES AS NOT BEING REASSIGNMENTS.—In the case of a member who is assigned to duty at a location or under circumstances that make it necessary for the member to be"; and

(B) by inserting "for the purposes of this section" after "may be treated".

SEC. 603. RATE OF BASIC ALLOWANCE FOR SUBSISTENCE FOR ENLISTED PERSONNEL OCCUPYING SINGLE GOVERNMENT QUARTERS WITHOUT ADEQUATE AVAILABILITY OF MEALS.

Section 402(d) of title 37, United States Code, is amended to read as follows:

"(d) SPECIAL RATE FOR ENLISTED MEMBERS OCCUPYING SINGLE QUARTERS WITHOUT ADEQUATE AVAILABILITY OF MEALS.—The Secretary of Defense, and the Secretary of the department in which the Coast Guard is operating, may pay an enlisted member the basic allowance for subsistence under this section at a monthly rate that is twice the amount in effect under subsection (b)(2) while—

"(1) the member is assigned to single Government quarters which have no adequate food storage or preparation facility in the quarters; and

"(2) there is no Government messing facility serving those quarters that is capable of making meals available to the occupants of the quarters.".

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(b) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(c) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(d) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(e) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(f) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR CERTAIN HEALTH CARE PROFESSIONALS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(b) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of such title is amended by striking "January 1, 2003" and inserting "January 1, 2004".

(c) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(d) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(e) SPECIAL PAY FOR SELECTED RESERVE HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(f) ACCESSION BONUS FOR DENTAL OFFICERS.—Section 302h(a)(1) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

SEC. 613. ONE-YEAR EXTENSION OF SPECIAL PAY AND BONUS AUTHORITIES FOR NUCLEAR OFFICERS.

(a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(b) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(c) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

SEC. 614. ONE-YEAR EXTENSION OF OTHER BONUS AND SPECIAL PAY AUTHORITIES.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(c) ENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 309(e) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(d) RETENTION BONUS FOR MEMBERS WITH CRITICAL MILITARY SKILLS.—Section 323(i) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

(e) ACCESSION BONUS FOR NEW OFFICERS IN CRITICAL SKILLS.—Section 324(g) of such title is amended by striking "December 31, 2002" and inserting "December 31, 2003".

SEC. 615. INCREASE IN MAXIMUM RATES FOR CERTAIN SPECIAL PAYS, BONUSES, AND FINANCIAL ASSISTANCE FOR HEALTH CARE PROFESSIONALS.

(a) RETENTION BONUS FOR MEDICAL OFFICERS.—Section 301d(a)(2) of title 37, United States Code, is amended by striking "$14,000" and inserting "$50,000".

(b) RETENTION BONUS FOR DENTAL OFFICERS.—Section 301e(a)(2) of such title is amended by striking "$14,000" and inserting "$50,000".

(c) INCENTIVE SPECIAL PAY FOR MEDICAL OFFICERS.—Section 302(b)(1) of such title is amended by striking the second sentence and inserting the following new sentence: "The amount of incentive special pay paid to an officer under this subsection may not exceed $50,000 for any 12-month period.".

(d) RETENTION SPECIAL PAY OPTOMETRISTS.—Section 302a(b)(1) of such title is amended by striking "$6,000" and inserting "$15,000".

(e) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(2) of such title is amended by striking "$5,000" and inserting "$30,000".

(f) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of such title is amended by striking "$15,000" and inserting "$50,000".

(g) RETENTION SPECIAL PAY FOR PHARMACY OFFICERS.—Section 302i of such title is amended—

(1) in subsections (a) and (b), by striking "special pay at the rates specified in subsection (d)" both places it appears and inserting "retention special pay under this section";

(2) in subsection (c), by striking "LIMITATION.—" and inserting "LIMITATION ON ELIGIBILITY FOR SPECIAL PAY.—"; and

(3) by striking subsection (d) and inserting the following new subsection:

"(d) LIMITATION ON AMOUNT OF SPECIAL PAY.—The amount of retention special pay paid to an officer under this section may not exceed $15,000 for any 12-month period.".

(h) FINANCIAL ASSISTANCE FOR NURSE OFFICER CANDIDATES.—Section 2130a(a) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking "$5,000" in the first sentence and inserting "$10,000" and by striking "$2,500" in the second sentence and inserting "$5,000"; and

(2) in paragraph (2), by striking "$500" and inserting "$1,000".

(i) APPLICATION OF INCREASE.—In the case of an amendment made by this section to increase the maximum amount of a special pay or bonus that may be paid during any 12-month period, the amended limitation shall apply to 12-month periods beginning after September 30, 2002.

SEC. 616. ASSIGNMENT INCENTIVE PAY.

(a) AUTHORITY.—(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 307 the following new section:

"§ 307a. Special pay: assignment incentive pay

"(a) AUTHORITY.—The Secretary concerned may pay monthly incentive pay under this section to a member of a uniformed service who performs service, while entitled to basic pay, in an assignment designated by the Secretary concerned.

"(b) WRITTEN AGREEMENT.—The period for which incentive pay will be provided under this section and the monthly rate of the incentive pay for a member shall be specified in a written agreement between the Secretary concerned and the member. Agreements entered into by the Secretary of a military department shall require the concurrence of the Secretary of Defense.

"(c) MAXIMUM RATE.—The maximum monthly rate of incentive pay payable to a member under this section is $1,500.

"(d) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—Incentive pay paid to a member under this section is in addition to any other pay and allowances to which the member is entitled.

"(e) STATUS NOT AFFECTED BY TEMPORARY DUTY OR LEAVE.—The service of a member in an assignment referred to in subsection (a) shall not be considered discontinued during any period that the member is not performing service in the assignment by reason of temporary duty performed by the member pursuant to orders or absence of the member for authorized leave.

"(f) TERMINATION OF AUTHORITY.—No agreement under this section may be entered into after December 31, 2005.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 307 the following new item:

"307a. Special pay: assignment incentive pay.".

(b) ANNUAL REPORT.—Not later than February 28, 2004, and February 28, 2005, 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 of the authority provided under section 307a of title 37, United States Code, as added by subsection (a), including an assessment of the utility of that authority.

SEC. 617. INCREASE IN MAXIMUM RATES FOR PRIOR SERVICE ENLISTMENT BONUS.

Section 308i(b)(1) of title 37, United States Code, is amended—

(1) in subparagraph (A), by striking "$5,000" and inserting "$8,000";

(2) in subparagraph (B), by striking "$2,500" and inserting "$4,000"; and

(3) in subparagraph (C), by striking "$2,000" and inserting "$3,500".

SEC. 618. RETENTION INCENTIVES FOR HEALTH CARE PROFESSIONALS QUALIFIED IN A CRITICAL MILITARY SKILL.

(a) EXCEPTION TO LIMITATION ON MAXIMUM BONUS AMOUNT.—Subsection (d) of section 323 of title 37, United States Code, is amended—

(1) by inserting "(1)" before "A member"; and

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

"(2) The limitation in paragraph (1) on the total bonus payments that a member may receive under this section does not apply with respect to an officer who is assigned duties as a health care professional.".

(b) EXCEPTION TO YEARS OF SERVICE LIMITATION.—Subsection (e) of such section is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by inserting "(1)" before "A retention"; and

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

"(2) The limitations in paragraph (1) do not apply with respect to an officer who is assigned duties as a health care professional during the period of active duty for which the bonus is being offered.".

Subtitle C—Travel and Transportation Allowances

SEC. 621. EXTENSION OF LEAVE TRAVEL DEFERRAL PERIOD FOR MEMBERS PERFORMING CONSECUTIVE OVERSEAS TOURS OF DUTY.

(a) AUTHORIZED DEFERRAL PERIOD.—Section 411b of title 37, United States Code is amended by inserting after subsection (a) the following new subsection:

"(b) AUTHORITY TO DEFER TRAVEL; LIMITATIONS.—(1) Under the regulations referred to in subsection (a), a member may defer the travel for which the member is paid travel and transportation allowances under this section until any time before the completion of the consecutive tour at the same duty station or the completion of the tour of duty at the new duty station under the order involved, as the case may be.

"(2) If a member is unable to undertake the travel before expiration of the deferral period under paragraph (1) because of duty in connection with a contingency operation, the member may defer the travel until not more than one year after the date on which the member's duty in connection with the contingency operation ends.".

(b) CONFORMING AND CLERICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a)—

(A) by striking "(a)(1)" and inserting "(a) ALLOWANCES AUTHORIZED.—"; and

(B) by striking paragraph (2); and

(2) by striking "(b) The allowances" and inserting "(c) LIMITATION ON ALLOWANCE RATE.—The allowances".

(c) APPLICATION OF AMENDMENT.—Subsection (b) of section 411b of title 37, United States Code, as added by subsection (a), shall apply with respect to members of the uniformed services in a deferred leave travel status under such section as of the date of the enactment of this Act or becomes entitled to travel and transportation allowances under such section on or after that date.

SEC. 622. TRANSPORTATION OF MOTOR VEHICLES FOR MEMBERS REPORTED MISSING.

(a) AUTHORITY TO SHIP TWO MOTOR VEHICLES.—Subsection (a) of section 554 of title 37, United States Code, is amended by striking "one privately owned motor vehicle" both places it appears and inserting "two privately owned motor vehicles".

(b) PAYMENTS FOR LATE DELIVERY.—Subsection (i) of such section is amended by adding at the end the following new sentence: "In a case in which two motor vehicles of a member (or the dependent or dependents of a member) are transported at the expense of the United States, no reimbursement is payable under this subsection unless both motor vehicles do not arrive at the authorized destination of the vehicles by the designated delivery date.".

(c) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to members whose eligibility for benefits under section 554 of title 37, United States Code, commences on or after the date of the enactment of this Act.

Subtitle D—Retired Pay and Survivor Benefits

SEC. 631. PERMANENT REDUCTION FROM EIGHT TO SIX IN NUMBER OF YEARS OF RESERVE SERVICE REQUIRED FOR ELIGIBILITY FOR RETIRED PAY FOR NON-REGULAR SERVICE.

(a) REDUCTION IN REQUIREMENT FOR YEARS OF RESERVE COMPONENT SERVICE BEFORE RETIRED PAY ELIGIBILITY.—Subsection (a)(3) of section 12731 of title 10, United States Code, is amended—

(1) by striking "eight years" and inserting "six years"; and

(2) by inserting before the semicolon ", except that in the case of a person who completed the service requirements of paragraph (2) before October 5, 1994, the number of years of such qualifying service under this paragraph shall be eight".

(b) CONFORMING AMENDMENT.—Subsection (f) of such section is repealed.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 2002. No benefit shall accrue to any person for any period before that date by reason of the enactment of those amendments.

SEC. 632. INCREASED RETIRED PAY FOR ENLISTED RESERVES CREDITED WITH EXTRAORDINARY HEROISM.

(a) AUTHORITY.—Section 12739 of title 10, United States Code, is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

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

"(b) If a person entitled to retired pay under this chapter has been credited by the Secretary concerned with extraordinary heroism in the line of duty and if the highest grade held satisfactorily by that person at any time in the armed forces is an enlisted grade, the person's retired pay shall be increased by 10 percent of the amount determined under subsection (a). The Secretary's determination as to extraordinary heroism is conclusive for all purposes.".

(b) CONFORMING AMENDMENT.—Subsection (c) of such section, as redesignated by subsection (a)(1), is amended by striking "amount computed under subsection (a)" and inserting "total amount of the monthly retired pay computed under subsections (a) and (b)".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 2002, and shall apply with respect to retired pay for months beginning on or after that date.

SEC. 633. ELIMINATION OF POSSIBLE INVERSION IN RETIRED PAY COST-OF-LIVING ADJUSTMENT FOR INITIAL COLA COMPUTATION.

(a) ELIMINATION OF POSSIBLE COLA INVERSION.—Section 1401a of title 10, United States Code, is amended—

(1) in subsections (c)(1), (d), and (e), by inserting "but subject to subsection (f)(2)" after "Notwithstanding subsection (b)";

(2) in subsection (c)(2), by inserting "(subject to subsection (f)(2) as applied to other members whose retired pay is computed on the current rates of basic pay in the most recent adjustment under this section)" after "shall be increased"; and

(3) in subsection (f)—

(A) by designating the text after the subsection heading as paragraph (1), indenting that text two ems, and inserting "PREVENTION OF RETIRED PAY INVERSIONS.—" before "Notwithstanding"; and

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

"(2) PREVENTION OF COLA INVERSIONS.—The percentage of the first adjustment under this section in the retired pay of any person, as determined under subsection (c)(1), (c)(2), (d), or (e), may not exceed the percentage increase in retired pay determined under subsection (b)(2) that is effective on the same date as the effective date of such first adjustment.".

(b) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (d), by inserting "or on or after August 1, 1986, if the member or former member did not elect to receive a bonus under section 322 of title 37" after "August 1, 1986,"; and

(2) in subsection (e), by inserting "and elected to receive a bonus under section 322 of title 37" after "August 1, 1986,".

SEC. 634. TECHNICAL REVISIONS TO SO-CALLED "FORGOTTEN WIDOWS" ANNUITY PROGRAM.

(a) CLARIFICATION OF ELIGIBILITY.—Subsection (a)(1) of section 644 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 1448 note) is amended—

(1) in subparagraph (A), by inserting after "(A)" the following: "became entitled to retired or retainer pay before September 21, 1972,"; and

(2) in subparagraph (B), by striking "was a member of a reserve component of the Armed Forces" and inserting "died".

(b) CLARIFICATION OF INTERACTION WITH OTHER BENEFITS.—(1) Subsection (a)(2) of such section is amended by striking "and who" and all that follows through "note)".

(2) Subsection (b)(2) of such section is amended to read as follows:

"(2) The amount of an annuity to which a surviving spouse is entitled under this section for any period shall be reduced (but not below zero) by any amount paid to that surviving spouse for the same period under any of the following provisions of law:

"(A) Section 1311(a) of title 38, United States Code (relating to dependency and indemnity compensation payable by the Secretary of Veterans Affairs).

"(B) Chapter 73 of title 10, United States Code.

"(C) Section 4 of Public Law 92–425 (10 U.S.C. 1448 note).".

(c) CLARIFICATION OF DEFINITION OF SURVIVING SPOUSE.—Subsection (d)(2) of such section is amended by striking "the terms" and all that follows through "and (8)" and inserting "such term in paragraph (9)".

(d) SPECIFICATION IN LAW OF CURRENT BENEFIT AMOUNT.—Subsection (b) of such section is amended—

(1) in paragraph (1), by striking "$165" and inserting "$185.58"; and

(2) in paragraph (3)—

(A) by striking "the date of the enactment of this Act" and inserting "May 1, 2002,"; and

(B) by striking the last sentence.

(e) SPECIFICATION OF ENACTMENT MONTH.—Subsection (e) of such section is amended—

(1) in paragraph (1), by striking "the month in which this Act is enacted" and inserting "November 1997"; and

(2) in paragraph (2), by striking "the first month that begins after the month in which this Act is enacted" and inserting "December 1997".

SEC. 635. EXPANSION OF AUTHORITY OF SECRETARY OF DEFENSE TO WAIVE TIME LIMITATIONS ON CLAIMS AGAINST THE GOVERNMENT FOR MILITARY PERSONNEL BENEFITS.

(a) AUTHORITY FOR WAIVER OF TIME LIMITATIONS.—Paragraph (1) of section 3702(e) of title 31, United States Code, is amended by striking "a claim" and all that follows through "title 10" and inserting "a claim referred to in subsection (a)(1)(A)".

(b) TECHNICAL AMENDMENTS.—(1) Such paragraph is further amended—

(A) by striking "Upon the request" and all that follows through "the Secretary of Defense" and inserting "The Secretary of Defense";

(B) by striking "and, subject to paragraph (2), settle the claim"; and

(C) by adding at the end the following new sentence: "In the case of a claim by or with respect to a member of the uniformed

services who is not under the jurisdiction of the Secretary of a military department, such a waiver may be made only upon the request of the Secretary concerned (as defined in section 101 of title 37).".

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

(A) by striking "under paragraph (1)" and inserting "under subsection (a)(1)(A)"; and

(B) by inserting before the period at the end the following: ", except that in the case of a claim for retired pay or survivor benefits, if the obligation claimed would have been paid from a trust fund if timely paid, the payment of the claim shall be made from that trust fund".

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to claims against the United States presented to the Secretary of Defense under section 3702 of title 31, United States Code, on or after the date of the enactment of this Act.

SEC. 636. SPECIAL COMPENSATION FOR CERTAIN COMBAT-RELATED DISABLED UNIFORMED SERVICES RETIREES.

(a) AUTHORITY.—(1) Chapter 71 of title 10, United States Code, is amended by inserting after section 1413 the following new section:

"§ 1413a. Special compensation for certain combat-related disabled uniformed services retirees

"(a) AUTHORITY.—The Secretary concerned shall pay to each eligible combat-related disabled uniformed services retiree who elects benefits under this section a monthly amount for the combat-related disability of the retiree determined under subsection (b).

"(b) AMOUNT.—

"(1) DETERMINATION OF MONTHLY AMOUNT.—Subject to paragraphs (2) and (3), the monthly amount to be paid an eligible combat-related disabled uniformed services retiree for a combat-related disability under subsection (a) is the monthly amount of compensation to which the retiree would be entitled solely for the combat-related disability consistent with chapter 11 of title 38.

"(2) MAXIMUM AMOUNT.—The amount paid to an eligible combat-related disabled uniformed services retiree for any month under paragraph (1) may not exceed the amount of the reduction in retired pay that is applicable to the retiree for that month under sections 5304 and 5305 of title 38.

"(3) SPECIAL RULES FOR CHAPTER 61 DISABILITY RETIREES.—In the case of an eligible combat-related disabled uniformed services retiree who is retired under chapter 61 of this title, the amount of the payment under paragraph (1) for any month shall be reduced by the amount (if any) by which the amount of the member's retired pay under chapter 61 of this title exceeds the amount of retired pay to which the member would have been entitled under any other provision of law based upon the member's service in the uniformed services if the member had not been retired under chapter 61 of this title.

"(c) ELIGIBLE RETIREES.—For purposes of this section, an eligible combat-related disabled uniformed services retiree referred to in subsection (a) is a member of the uniformed services entitled to retired pay who—

"(1) has completed at least 20 years of service in the uniformed services that are creditable for purposes of computing the amount of retired pay to which the member is entitled; and

"(2) has a qualifying combat-related disability.

"(d) PROCEDURES.—The Secretary of Defense shall prescribe procedures and criteria under which a disabled uniformed services retiree may apply to the Secretary of a military department to be considered to be an eligible combat-related disabled uniformed services retiree. Such procedures shall apply uniformly throughout the Department of Defense.

"(e) QUALIFYING COMBAT-RELATED DISABILITY.—In this section, the term 'qualifying combat-related disability' means either of the following:

"(1) A disability that—

"(A) is attributable to an injury for which the member was awarded the Purple Heart; and

"(B) is rated as not less than 10 percent disabling—

"(i) by the Secretary concerned, as of the date on which the member is retired from the uniformed services, under criteria prescribed by the Secretary of Defense; or

"(ii) by the Secretary of Veterans Affairs.

"(2) A service-connected disability that—

"(A) was incurred (as determined under criteria prescribed by the Secretary of Defense)—

"(i) as a direct result of armed conflict;

"(ii) while engaged in hazardous service;

"(iii) in the performance of duty under conditions simulating war; or

"(iv) through an instrumentality of war; and

"(B) is rated as not less than 60 percent disabling—

"(i) by the Secretary concerned, as of the date on which the member is retired from the uniformed services, under criteria prescribed by the Secretary of Defense; or

"(ii) by the Secretary of Veterans Affairs.

"(f) CONSTRUCTION WITH SPECIAL COMPENSATION FOR SEVERELY DISABLED UNIFORMED SERVICES RETIREES.—

"(1) SINGLE SOURCE OF COMPENSATION.—An individual who is paid special compensation under this section may not receive special compensation under section 1413 of this title.

"(2) ELECTION OF SOURCE.—An individual who is eligible for special compensation under this section and special compensation under section 1413 of this title shall elect which special compensation to receive.

"(3) REGULATIONS.—The Secretary of Defense shall prescribe in regulations the manner and form of an election under this subsection.

"(g) STATUS OF PAYMENTS.—Payments under this section are not retired pay.

"(h) SOURCE OF PAYMENTS.—Payments under this section for any fiscal year shall be paid out of funds appropriated for pay and allowances payable by the Secretary concerned for that fiscal year.

"(i) OTHER DEFINITIONS.—In this section:

"(1) The term 'service-connected' has the meaning given such term in section 101 of title 38.

"(2) The term 'retired pay' includes retainer pay, emergency officers' retirement pay, and naval pension.".

(2) Section 1413a of title 10, United States Code, as added by paragraph (1), shall take effect not later than 180 days after the date of the enactment of this Act.

(3) The table of sections at the beginning of chapter 71 of such title is amended by inserting after the item relating to section 1413 the following new item:

"1413a. Special compensation for certain combat-related disabled uniformed services retirees.".

(b) SPECIAL COMPENSATION FOR CERTAIN SEVERELY DISABLED UNIFORMED SERVICES RETIREES.—Section 1413 of title 10, United States Code, is amended—

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

(2) by inserting after subsection (d) the following new subsection (e):

"(e) CONSTRUCTION WITH SPECIAL COMPENSATION FOR COMBAT-DISABLED UNIFORMED SERVICES RETIREES.—(1) An individual who is paid special compensation under this section may not receive special compensation under section 1413a of this title.

"(2) An individual who is eligible for special compensation under this section and special compensation under section 1413a of this title shall elect which special compensation to receive.

"(3) The Secretary of Defense shall prescribe in regulations the manner and form of an election under this subsection.".

Subtitle E—Montgomery GI Bill

SEC. 641. TIME LIMITATION FOR USE OF MONTGOMERY GI BILL ENTITLEMENT BY MEMBERS OF THE SELECTED RESERVE.

(a) EXTENSION OF LIMITATION PERIOD.—Section 16133(a)(1) of title 10, United States Code, is amended by striking "10-year" and inserting "14-year".

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by subsection (a) shall take effect on October 1, 2002, and shall apply with respect to periods of entitlement to educational assistance under chapter 1606 of title 10, United States Code, that begin on or after October 1, 1992.

SEC. 642. REPAYMENT REQUIREMENTS UNDER RESERVE COMPONENT MONTGOMERY GI BILL ARISING FROM FAILURE TO PARTICIPATE SATISFACTORILY IN MILITARY SERVICE TO BE CONSIDERED DEBTS OWED TO THE UNITED STATES.

Section 16135 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) Subject to subsection (a)(2), an obligation to pay a refund to the United States under subsection (a)(1)(B) in an amount determined under subsection (b) is, for all purposes, a debt owed to the United States.

"(2) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an enlistment or other agreement under this section does not discharge the person signing

such enlistment or other agreement from a debt arising under the enlistment or agreement, respectively, under this subsection.".

SEC. 643. TECHNICAL ADJUSTMENTS TO AUTHORITY FOR CERTAIN MEMBERS TO TRANSFER EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL TO DEPENDENTS.

(a) CLARIFICATION OF RATE OF EDUCATIONAL ASSISTANCE FOR DEPENDENTS TO WHOM ENTITLEMENT IS TRANSFERRED.—Section 3020(h) of title 38, United States Code, is amended—

(1) in paragraph (2)—

(A) by striking "paragraphs (4) and (5)" and inserting "paragraphs (5) and (6)"; and

(B) by striking "and at the same rate";

(2) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively; and

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

"(3)(A) Subject to subparagraph (B), the monthly rate of educational assistance payable to a dependent to whom entitlement is transferred under this section shall be the monthly amount payable under sections 3015 and 3022 of this title to the individual making the transfer.

"(B) The monthly rate of assistance payable to a dependent under subparagraph (A) shall be subject to the provisions of section 3032 of this title, except that the provisions of subsection (a)(1) of that section shall not apply even if the individual making the transfer to the dependent under this section is on active duty during all or any part of enrollment period of the dependent in which such entitlement is used.".

(b) SOURCE OF FUNDS FROM INCREASED USAGE.—Section 3035(b) of such title is amended—

(1) in paragraph (1), by striking "paragraphs (2) and (3) of this subsection" and inserting "paragraphs (2), (3), and (4)"; and

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

"(4) Payments attributable to the increased usage of benefits as a result of transfers of entitlement to basic educational assistance under section 3020 of this title shall be made from the Department of Defense Education Benefits Fund established under section 2006 of title 10 or from appropriations made to the Department of Transportation, as appropriate.".

(c) EFFECTIVE DATE.—(1) The amendments made by subsection (a) shall take effect as if included in the enactment of section 3020 of title 38, United States Code, by section 654(a)(1) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1153).

(2) The amendments made by subsection (b) shall take effect as if made by section 654 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1153).

Subtitle F—Other Matters

SEC. 651. PAYMENT OF INTEREST ON STUDENT LOANS.

(a) AUTHORITY.—(1) Chapter 109 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2174. Interest payment program: members on active duty

"(a) AUTHORITY.—(1) The Secretary concerned may pay in accordance with this section the interest and any special allowances that accrue on one or more student loans of an eligible member of the armed forces.

"(2) The Secretary of a military department may exercise the authority under paragraph (1) only if approved by the Secretary of Defense and subject to such requirements, conditions, and restrictions as the Secretary of Defense may prescribe.

"(b) ELIGIBLE MEMBERS.—A member of the armed forces is eligible for the benefit under subsection (a) while the member—

"(1) is serving on active duty in fulfillment of the member's first enlistment in the armed forces or, in the case of an officer, is serving on active duty and has not completed more than three years of service on active duty;

"(2) is the debtor on one or more unpaid loans described in subsection (c); and

"(3) is not in default on any such loan.

"(c) STUDENT LOANS.—The authority to make payments under subsection (a) may be exercised with respect to the following loans:

"(1) A loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.).

"(2) A loan made under part D of such title (20 U.S.C. 1087a et seq.).

"(3) A loan made under part E of such title (20 U.S.C. 1087aa et seq.).

"(d) MAXIMUM BENEFIT.—The months for which interest and any special allowance may be paid on behalf of a member of the armed forces under this section are any 36 consecutive months during which the member is eligible under subsection (b).

"(e) FUNDS FOR PAYMENTS.—Appropriations available for the pay and allowances of military personnel shall be available for payments under this section.

"(f) COORDINATION.—(1) The Secretary of Defense and, with respect to the Coast Guard when it is not operating as a service in the Navy, the Secretary of the Department in which the Coast Guard is operating shall consult with the Secretary of Education regarding the administration of the authority under this section.

"(2) The Secretary concerned shall transfer to the Secretary of Education the funds necessary—

"(A) to pay interest and special allowances on student loans under this section (in accordance with sections 428(o), 455(l), and 464(j) of the Higher Education Act of 1965 (20 U.S.C. 1078(o), 1087e(l), and 1087dd(j)); and

"(B) to reimburse the Secretary of Education for any reasonable administrative costs incurred by the Secretary in coordinating the program under this section with the administration of the student loan programs under parts B, D, and E of title IV of the Higher Education Act of 1965.

"(g) SPECIAL ALLOWANCE DEFINED.—In this section, the term 'special allowance' means a special allowance that is payable under section 438 of the Higher Education Act of 1965 (20 U.S.C. 1087–1).".

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

"2174. Interest payment program: members on active duty.".

(b) FEDERAL FAMILY EDUCATION LOANS AND DIRECT LOANS.—(1) Subsection (c)(3) of section 428 of the Higher Education Act of 1965 (20 U.S.C. 1078) is amended—

(A) in clause (i) of subparagraph (A)—

(i) by striking "or" at the end of subclause (II);

(ii) by inserting "or" at the end of subclause (III); and

(iii) by adding at the end the following new subclause:

"(IV) is eligible for interest payments to be made on such loan for service in the Armed Forces under section 2174 of title 10, United States Code, and, pursuant to that eligibility, the interest is being paid on such loan under subsection (o);";

(B) in clause (ii)(II) of subparagraph (A), by inserting "or (IV)" after "clause (i)(II)"; and

(C) by striking subparagraph (C) and inserting the following:

"(C) shall contain provisions that specify that—

"(i) the form of forbearance granted by the lender pursuant to this paragraph, other than subparagraph (A)(i)(IV), shall be temporary cessation of payments, unless the borrower selects forbearance in the form of an extension of time for making payments, or smaller payments than were previously scheduled; and

"(ii) the form of forbearance granted by the lender pursuant to subparagraph (A)(i)(IV) shall be the temporary cessation of all payments on the loan other than payments of interest on the loan that are made under subsection (o); and".

(2) Section 428 of such Act is further amended by adding at the end the following new subsection:

"(o) ARMED FORCES STUDENT LOAN INTEREST PAYMENT PROGRAM.—

"(1) AUTHORITY.—Using funds received by transfer to the Secretary under section 2174 of title 10, United States Code, for the payment of interest and any special allowance on a loan to a member of the Armed Forces that is made, insured, or guaranteed under this part, the Secretary shall pay the interest and special allowance on such loan as due for a period not in excess of 36 consecutive months. The Secretary may not pay interest or any special allowance on such a loan out of any funds other than funds that have been so transferred.

"(2) FORBEARANCE.—During the period in which the Secretary is making payments on a loan under paragraph (1), the lender shall grant the borrower forbearance in accordance with the guaranty agreement under subsection (c)(3)(A)(i)(IV).

"(3) SPECIAL ALLOWANCE DEFINED.—For the purposes of this subsection, the term 'special allowance', means a special allowance that is payable with respect to a loan under section 438.".

(c) FEDERAL DIRECT LOANS.—Section 455 of the Higher Education Act of 1965 (20 U.S.C. 1087e) is amended by adding at the end the following new subsection:

"(l) ARMED FORCES STUDENT LOAN INTEREST PAYMENT PROGRAM.—

"(1) AUTHORITY.—Using funds received by transfer to the Secretary under section 2174 of title 10, United States Code, for the payment of interest on a loan made under this part to a member of the Armed Forces, the Secretary shall pay the interest on the loan as due for a period not in excess of 36 consecutive months. The Secretary may not pay interest on such a loan out of any funds other than funds that have been so transferred.

"(2) FORBEARANCE.—During the period in which the Secretary is making payments on a loan under paragraph (1), the Secretary shall grant the borrower forbearance, in the form of a temporary cessation of all payments on the loan other than the payments of interest on the loan that are made under that paragraph.".

(d) FEDERAL PERKINS LOANS.—Section 464 of the Higher Education Act of 1965 (20 U.S.C. 1087dd) is amended—

(1) in subsection (e)—

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

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

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

"(3) the borrower is eligible for interest payments to be made on such loan for service in the Armed Forces under section 2174 of title 10, United States Code, and, pursuant to that eligibility, the interest on such loan is being paid under subsection (j), except that the form of a forbearance under this paragraph shall be a temporary cessation of all payments on the loan other than payments of interest on the loan that are made under subsection (j)."; and

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

"(j) ARMED FORCES STUDENT LOAN INTEREST PAYMENT PROGRAM.—

"(1) AUTHORITY.—Using funds received by transfer to the Secretary under section 2174 of title 10, United States Code, for the payment of interest on a loan made under this part to a member of the Armed Forces, the Secretary shall pay the interest on the loan as due for a period not in excess of 36 consecutive months. The Secretary may not pay interest on such a loan out of any funds other than funds that have been so transferred.

"(2) FORBEARANCE.—During the period in which the Secretary is making payments on a loan under paragraph (1), the institution of higher education shall grant the borrower forbearance in accordance with subsection (e)(3).".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to interest, and any special allowance under section 438 of the Higher Education Act of 1965, that accrue for months beginning on or after October 1, 2003, on student loans described in subsection (c) of section 2174 of title 10, United States Code (as added by subsection (a)), that were made before, on, or after such date to members of the Armed Forces who are on active

duty (as defined in section 101(d) of title 10, United States Code) on or after that date.

SEC. 652. ADDITIONAL AUTHORITY TO PROVIDE ASSISTANCE FOR FAMILIES OF MEMBERS OF THE ARMED FORCES.

(a) AUTHORITY.—(1) Subchapter I of chapter 88 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1788. Additional family assistance

"(a) AUTHORITY.—The Secretary of Defense may provide for the families of members of the armed forces serving on active duty, in addition to any other assistance available for such families, any assistance that the Secretary considers appropriate to ensure that the children of such members obtain needed child care, education, and other youth services.

"(b) PRIMARY PURPOSE OF ASSISTANCE.—The assistance authorized by this section should be directed primarily toward providing needed family support, including child care, education, and other youth services, for children of members of the Armed Forces who are deployed, assigned to duty, or ordered to active duty in connection with a contingency operation.".

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

"1788. Additional family assistance.".

(b) EFFECTIVE DATE.—Section 1788 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 2002.

SEC. 653. REPEAL OF AUTHORITY FOR ACCEPTANCE OF HONORARIA BY PERSONNEL AT CERTAIN DEPARTMENT OF DEFENSE SCHOOLS.

(a) REPEAL OF EXEMPTION.—Section 542 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2413; 10 U.S.C. prec. 2161 note) is repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply with respect to appearances made, speeches presented, and articles published on or after October 1, 2002.

SEC. 654. ADDITION OF DEFINITION OF CONTINENTAL UNITED STATES IN TITLE 37.

(a) DEFINITION.—Section 101(1) of title 37, United States Code, is amended—

(1) by inserting "(A)" after "(1)"; and

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

"(B) The term 'continental United States' means the 48 contiguous States and the District of Columbia.".

(b) CONFORMING AMENDMENTS.—Title 37, United States Code, is amended as follows:

(1) Section 314(a)(3) is amended by striking "the 48 contiguous States and the District of Columbia" and inserting "the continental United States".

(2) Section 403b(i) is amended by striking paragraph (6).

(3) Section 409 is amended by striking subsection (e).

(4) Section 411b(a) is amended by striking "the 48 contiguous States and the District of Columbia" both places it appears and inserting "the continental United States".

(5) Section 411d is amended by striking subsection (d).

(6) Section 430 is amended by striking subsection (f) and inserting the following new subsection (f):

"(f) DEFINITIONS.—In this section:

"(1) The term 'formal education' means the following:

"(A) A secondary education.

"(B) An undergraduate college education.

"(C) A graduate education pursued on a full-time basis at an institution of higher education.

"(D) Vocational education pursued on a full-time basis at a postsecondary vocational institution.

"(2) The term 'institution of higher education' has the meaning given that term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

"(3) The term 'postsecondary vocational institution' has the meaning given that term in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c)).".

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Program Improvements

Sec. 701. Elimination of requirement for TRICARE preauthorization of inpatient mental health care for medicare-eligible beneficiaries.
Sec. 702. Continued TRICARE eligibility of dependents residing at remote locations after departure of sponsors for unaccompanied assignments and eligibility of dependents of reserve component members ordered to active duty.
Sec. 703. Eligibility of surviving dependents for TRICARE dental program benefits after discontinuance of former enrollment.
Sec. 704. Department of Defense Medicare-Eligible Retiree Health Care Fund.
Sec. 705. Approval of medicare providers as TRICARE providers.
Sec. 706. Technical corrections relating to transitional health care for members separated from active duty.
Sec. 707. Extension of temporary authority to enter into personal services contracts for the performance of health care responsibilities at locations other than military medical treatment facilities.
Sec. 708. Access to health care services for beneficiaries eligible for TRICARE and Department of Veterans Affairs health care.
Sec. 709. Disclosure of information on Project 112 to Department of Veterans Affairs.

Subtitle B—Reports

Sec. 711. Claims information.
Sec. 712. Comptroller General report on provision of care under the TRICARE program.
Sec. 713. Repeal of report requirement.

Subtitle C—Department of Defense-Department of Veterans Affairs Health Resources Sharing

Sec. 721. Revised coordination and sharing guidelines.
Sec. 722. Health care resources sharing and coordination project.
Sec. 723. Report on improved coordination and sharing of health care and health care resources following domestic acts of terrorism or domestic use of weapons of mass destruction.
Sec. 724. Interoperability of Department of Veterans Affairs and Department of Defense pharmacy data systems.
Sec. 725. Joint pilot program for providing graduate medical education and training for physicians.
Sec. 726. Repeal of certain limits on Department of Veterans Affairs resources.

Subtitle A—Health Care Program Improvements

SEC. 701. ELIMINATION OF REQUIREMENT FOR TRICARE PREAUTHORIZATION OF INPATIENT MENTAL HEALTH CARE FOR MEDICARE-ELIGIBLE BENEFICIARIES.

(a) ELIMINATION OF REQUIREMENT.—Section 1079(i)(3) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(3)";

(2) by striking "Except in the case of an emergency," and inserting "Except as provided in subparagraph (B),"; and

(3) by adding at the end the following new subparagraphs:

"(B) Preadmission authorization for inpatient mental health services is not required under subparagraph (A) in the following cases:

"(i) In the case of an emergency.

"(ii) In a case in which any benefits are payable for such services under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.), subject to subparagraph (C).

"(C) In a case of inpatient mental health services to which subparagraph (B)(ii) applies, the Secretary shall require advance authorization for a continuation of the provision of such services after benefits cease to be payable for such services under such part A.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect October 1, 2003.

SEC. 702. CONTINUED TRICARE ELIGIBILITY OF DEPENDENTS RESIDING AT REMOTE LOCATIONS AFTER DEPARTURE OF SPONSORS FOR UNACCOMPANIED ASSIGNMENTS AND ELIGIBILITY OF DEPENDENTS OF RESERVE COMPONENT MEMBERS ORDERED TO ACTIVE DUTY.

Section 1079(p) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking "dependents referred to in subsection (a) of a member of the uniformed services referred to in section 1074(c)(3) of this title who are residing with the member" and inserting "dependents described in paragraph (3)";

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

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

"(3) This subsection applies with respect to a dependent referred to in subsection (a) who—

"(A) is a dependent of a member of the uniformed services referred to in section 1074(c)(3) of this title and is residing with the member;

"(B) is a dependent of a member who, after having served in a duty assignment described in section 1074(c)(3) of this title, has relocated without the dependent pursuant to orders for a permanent change of duty station from a remote location described in subparagraph (B)(ii) of such section where the member and the dependent resided together while the member served in such assignment, if the orders do not authorize dependents to accompany the member to the new duty station at the expense of the United States and the dependent continues to reside at the same remote location, or

"(C) is a dependent of a reserve component member ordered to active duty for a period of more than 30 days and is residing

with the member, and the residence is located more than 50 miles, or approximately one hour of driving time, from the nearest military medical treatment facility adequate to provide the needed care.".

SEC. 703. ELIGIBILITY OF SURVIVING DEPENDENTS FOR TRICARE DENTAL PROGRAM BENEFITS AFTER DISCONTINUANCE OF FORMER ENROLLMENT.

Section 1076a(k)(2) of title 10, United States Code, is amended by striking "if the dependent is enrolled on the date of the death of the member in a dental benefits plan established under subsection (a)" and inserting "if, on the date of the death of the member, the dependent is enrolled in a dental benefits plan established under subsection (a) or is not enrolled in such a plan by reason of a discontinuance of a former enrollment under subsection (f)".

SEC. 704. DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE RETIREE HEALTH CARE FUND.

(a) SOURCE OF FUNDS FOR MONTHLY ACCRUAL PAYMENTS INTO THE FUND.—Section 1116(c) of title 10, United States Code, is amended by striking "health care programs" and inserting "pay of members".

(b) MANDATORY PARTICIPATION OF OTHER UNIFORMED SERVICES.—Section 1111(c) of such title is amended—

(1) in the first sentence, by striking "may enter into an agreement with any other administering Secretary" and inserting "shall enter into an agreement with each other administering Secretary"; and

(2) in the second sentence, by striking "Any such" and inserting "The".

SEC. 705. APPROVAL OF MEDICARE PROVIDERS AS TRICARE PROVIDERS.

(a) IN GENERAL.—Section 1079 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(q) Subject to subsection (a), a physician or other health care practitioner who is eligible to receive reimbursement for services provided under medicare (as defined in section 1086(d)(3)(C) of this title) shall be considered approved to provide medical care authorized under this section and section 1086 of this title unless the administering Secretaries have information indicating medicare, TRICARE, or other Federal health care program integrity violations by the physician or other health care practitioner.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to any contract under the TRICARE program entered into on or after the date of the enactment of this Act.

SEC. 706. TECHNICAL CORRECTIONS RELATING TO TRANSITIONAL HEALTH CARE FOR MEMBERS SEPARATED FROM ACTIVE DUTY.

(a) CONTINUED APPLICABILITY TO DEPENDENTS.—Subsection (a)(1) of section 736 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1172) is amended to read as follows:

"(1) in paragraph (1), by striking 'paragraph (2), a member' and all that follows through 'of the member),' and inserting 'paragraph (3), a member of the armed forces who is separated from active duty as described in paragraph (2) (and the dependents of the member)';".

(b) CLARIFICATION REGARDING THE COAST GUARD.—Subsection (b)(2) of such section is amended to read as follows:

"(2) in subsection (e)—

"(A) by striking the first sentence; and

"(B) by striking 'the Coast Guard' in the second sentence and inserting 'the members of the Coast Guard and their dependents'.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as of December 28, 2001, and as if included in the National Defense Authorization Act for Fiscal Year 2002 as enacted.

SEC. 707. EXTENSION OF TEMPORARY AUTHORITY TO ENTER INTO PERSONAL SERVICES CONTRACTS FOR THE PERFORMANCE OF HEALTH CARE RESPONSIBILITIES AT LOCATIONS OTHER THAN MILITARY MEDICAL TREATMENT FACILITIES.

Section 1091(a)(2) of title 10, United States Code, is amended by striking "December 31, 2002" and inserting "December 31, 2003".

SEC. 708. ACCESS TO HEALTH CARE SERVICES FOR BENEFICIARIES ELIGIBLE FOR TRICARE AND DEPARTMENT OF VETERANS AFFAIRS HEALTH CARE.

(a) REQUIREMENT TO ESTABLISH PROCESS.—(1) The Secretary of Defense shall prescribe in regulations a process for resolving issues relating to patient safety and continuity of care for covered beneficiaries who are concurrently entitled to health care under the TRICARE program and eligible for health care services provided by the Department of Veterans Affairs. The Secretary shall—

(A) ensure that the process provides for coordination of, and access to, health care from the two sources in a manner that prevents diminution of access to health care from either source; and

(B) in consultation with the Secretary of Veterans Affairs, prescribe a clear definition of an "episode of care" for use in the resolution of patient safety and continuity of care issues under such process.

(2) Not later than May 1, 2003, the Secretary shall submit to the Committees on Armed Services of the Senate and of the House of Representatives a report describing the process prescribed under paragraph (1).

(3) While prescribing the process under paragraph (1) and upon completion of the report under paragraph (2), the Secretary shall provide to the Comptroller General information that would be relevant in carrying out the study required by subsection (b).

(b) COMPTROLLER GENERAL STUDY AND REPORT.—(1) The Comptroller General shall conduct a study of the health care issues of covered beneficiaries described in subsection (a). The study shall include the following:

(A) An analysis of whether covered beneficiaries who seek services through the Department of Veterans Affairs are receiving needed health care services in a timely manner from the Department of Veterans Affairs, as compared to the timeliness of the care available to covered beneficiaries under TRICARE Prime (as set forth in access to care standards under TRICARE program policy that are applicable to the care being sought).

(B) An evaluation of the quality of care for covered beneficiaries who do not receive needed services from the Depart-

ment of Veterans Affairs within a time period that is comparable to the time period provided for under such access to care standards and who then must seek alternative care under the TRICARE program.

(C) Recommendations to improve access to, and timeliness and quality of, care for covered beneficiaries described in subsection (a).

(D) An evaluation of the feasibility and advisability of making access to care standards applicable jointly under the TRICARE program and the Department of Veterans Affairs health care system.

(E) A review of the process prescribed by the Secretary of Defense under subsection (a) to determine whether the process ensures the adequacy and quality of the health care services provided to covered beneficiaries under the TRICARE program and through the Department of Veterans Affairs, together with timeliness of access to such services and patient safety.

(2) Not later than 60 days after the congressional committees specified in subsection (a)(2) receive the report required under that subsection, the Comptroller General shall submit to those committees a report on the study conducted under this subsection.

(c) DEFINITIONS.—In this section:

(1) The term "covered beneficiary" has the meaning provided by section 1072(5) of title 10, United States Code.

(2) The term "TRICARE program" has the meaning provided by section 1072(7) of such title.

(3) The term "TRICARE Prime" has the meaning provided by section 1097a(f) of such title.

SEC. 709. DISCLOSURE OF INFORMATION ON PROJECT 112 TO DEPARTMENT OF VETERANS AFFAIRS.

(a) PLAN FOR DISCLOSURE OF INFORMATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress and the Secretary of Veterans Affairs a comprehensive plan for the review, declassification, and submittal to the Department of Veterans Affairs of all records and information of the Department of Defense on Project 112 that are relevant to the provision of benefits by the Secretary of Veterans Affairs to members of the Armed Forces who participated in that project.

(b) PLAN REQUIREMENTS.—(1) The records and information covered by the plan under subsection (a) shall be the records and information necessary to permit the identification of members of the Armed Forces who were or may have been exposed to chemical or biological agents as a result of Project 112.

(2) The plan shall provide for completion of all activities contemplated by the plan not later than one year after the date of the enactment of this Act.

(c) IDENTIFICATION OF OTHER PROJECTS OR TESTS.—The Secretary of Defense also shall work with veterans and veterans service organizations to identify other projects or tests conducted by the Department of Defense that may have exposed members of the Armed Forces to chemical or biological agents.

(d) GAO REPORTS ON PLAN AND IMPLEMENTATION.—(1) Not later than 30 days after submission of the plan under subsection (a), the Comptroller General shall submit to Congress a report reviewing the plan. The report shall include an examination of whether ade-

quate resources have been committed, the timeliness of the information to be released to the Department of Veterans Affairs, and the adequacy of the procedures to notify affected veterans of potential exposure.

(2) Not later than six months after implementation of the plan begins, the Comptroller General shall submit to Congress a report evaluating the progress in the implementation of the plan.

(e) DOD REPORTS ON IMPLEMENTATION.—(1) Not later than six months after the date of the enactment of this Act, and upon completion of all activities contemplated by the plan under subsection (a), the Secretary of Defense shall submit to Congress and the Secretary of Veterans Affairs a report on progress in the implementation of the plan.

(2) Each report under paragraph (1) shall include, for the period covered by such report—

(A) the number of records reviewed;

(B) each test, if any, under Project 112 identified during such review;

(C) for each test so identified—

(i) the test name;

(ii) the test objective;

(iii) the chemical or biological agent or agents involved; and

(iv) the number of members of the Armed Forces, and civilian personnel, potentially effected by such test; and

(D) the extent of submittal of records and information to the Secretary of Veterans Affairs under this section.

(f) PROJECT 112.—For purposes of this section, Project 112 refers to the chemical and biological weapons vulnerability-testing program of the Department of Defense conducted by the Deseret Test Center from 1963 to 1969. The project included the Shipboard Hazard and Defense (SHAD) project of the Navy.

Subtitle B—Reports

SEC. 711. CLAIMS INFORMATION.

(a) CORRESPONDENCE TO MEDICARE CLAIMS INFORMATION REQUIREMENTS.—Section 1095c of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) CORRESPONDENCE TO MEDICARE CLAIMS INFORMATION REQUIREMENTS.—The Secretary of Defense, in consultation with the other administering Secretaries, shall limit the information required in support of claims for payment for health care items and services provided under the TRICARE program to that information that is identical to the information that would be required for claims for reimbursement for those items and services under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) except for that information, if any, that is uniquely required by the TRICARE program. The Secretary of Defense shall report to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives any information that is excepted under this provision, and the justification for that exception.".

(b) APPLICABILITY.—The Secretary of Defense, in consultation with the other administering Secretaries referred to in section

1072(3) of title 10, United States Code, shall apply the limitations required under subsection (d) of section 1095c of such title (as added by subsection (a)) with respect to contracts entered into under the TRICARE program on or after October 1, 2002.

(c) COMPTROLLER GENERAL REPORT ON TRICARE CLAIMS PROCESSING.—Not later than March 31, 2003, the Comptroller General shall submit to Congress an evaluation of the continuing impediments to cost effective claims processing under the TRICARE program. The evaluation shall include a discussion of the following:

(1) The extent of progress implementing improvements in claims processing, particularly regarding the application of best industry practices.

(2) The extent of progress in simplifying claims processing procedures, including the elimination of, or reduction in, the complexity of the Health Care Service Record requirements.

(3) The cost effectiveness of the data collection and fraud prevention capabilities of existing claims processing practices.

(4) Recommendations for improving the claims processing system that will reduce processing and administration costs, create greater competition, and improve fraud-prevention activities.

SEC. 712. COMPTROLLER GENERAL REPORT ON PROVISION OF CARE UNDER THE TRICARE PROGRAM.

Not later than March 31, 2003, the Comptroller General shall submit to Congress an evaluation of the nature of, reasons for, extent of, and trends regarding network provider instability under the TRICARE program, and the effectiveness of efforts by the Department of Defense and managed care support contractors to measure and mitigate such instability. The evaluation shall include a discussion of the following:

(1) The adequacy of measurement tools of TRICARE network instability and their use by the Department of Defense and managed care support contractors to assess network adequacy and stability.

(2) Recommendations for improvements needed in measurement tools or their application.

(3) The relationship of reimbursement rates and administration requirements (including preauthorization requirements) to TRICARE network instability.

(4) The extent of problems under the TRICARE program and likely future trends with and without intervention using existing authority.

(5) Use of existing authority by the Department of Defense and TRICARE managed care support contractors to apply higher reimbursement rates in specific geographic areas.

(6) Recommendations for specific fiscally prudent measures that could mitigate negative trends or improve provider and network stability.

SEC. 713. REPEAL OF REPORT REQUIREMENT.

Notwithstanding subsection (f)(2) of section 712 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A–179), the amendment made by subsection (e) of such section shall not take effect and the paragraph amended by such subsection is repealed.

Subtitle C—Department of Defense-Department of Veterans Affairs Health Resources Sharing

SEC. 721. REVISED COORDINATION AND SHARING GUIDELINES.

(a) IN GENERAL.—(1) Section 8111 of title 38, United States Code, is amended to read as follows:

"§ 8111. Sharing of Department of Veterans Affairs and Department of Defense health care resources

"(a) REQUIRED COORDINATION AND SHARING OF HEALTH CARE RESOURCES.—The Secretary of Veterans Affairs and the Secretary of Defense shall enter into agreements and contracts for the mutually beneficial coordination, use, or exchange of use of the health care resources of the Department of Veterans Affairs and the Department of Defense 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.

"(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) Develop and publish a joint strategic vision statement and a joint strategic plan to shape, focus, and prioritize the coordination and sharing efforts among appropriate elements of the two Departments and incorporate the goals and requirements of the joint sharing plan into the strategic and performance plan of each Department under the Government Performance and Results Act.

"(2) Jointly fund the interagency committee provided for under subsection (c).

"(3) Continue to facilitate and improve sharing between individual Department of Veterans Affairs and Department of Defense health care facilities, but giving priority of effort to initiatives (A) that improve sharing and coordination of health resources at the intraregional and nationwide levels, and (B) that improve the ability of both Departments to provide coordinated health care.

"(4) Establish a joint incentive program under subsection (d).

"(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 na-

tionwide levels. The program shall be administered by the Committee established in subsection (c), under procedures jointly prescribed by the two Secretaries.

"(2) To facilitate the incentive program, effective October 1, 2003, there is established in the Treasury a fund to be known as the 'DOD–VA Health Care Sharing Incentive Fund'. Each Secretary shall annually contribute to the fund a minimum of $15,000,000 from the funds appropriated to that Secretary's Department. Such funds shall remain available until expended.

"(3)(A) For each fiscal year during which the program under this subsection is in effect, the Comptroller General shall conduct a review of the implementation and effectiveness of the incentives program under this subsection. Upon completion of each such annual review, the Comptroller General shall submit to the Committees on Armed Services and Veterans' Affairs of the Senate and House of Representatives a report on the results of that review. Each such report shall be submitted not later than February 28 of the year following the fiscal year covered by the report. In addition, the Comptroller General shall conduct such a review during the first five months of fiscal year 2004 and, not later than February 28, 2004, shall submit to those committees a report on the implementation and effectiveness of the incentives program under this subsection to that date.

"(B) Each report under this paragraph shall describe activities carried out under the program under this subsection during the preceding fiscal year (or, in the case of the first such report, to the date of the submission of the report). Each report shall include at least the following:

"(i) An analysis of the initiatives funded by the Committee, and the funds so expended by such initiatives, from the DOD–VA Health Care Sharing Incentive Fund, including the purposes and effects of those initiatives on improving access to care by beneficiaries, improvements in the quality of care received by those beneficiaries, and efficiencies gained in delivering services to those beneficiaries.

"(ii) Other matters of interest, including recommendations from the Comptroller General for legislative improvements to the program.

"(4) The program under this subsection shall terminate on September 30, 2007.

"(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), 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) is consistent with the health care responsibilities of the Department of Veterans Affairs under this title and with the health care responsibilities of the Department of Defense under chapter 55 of title 10;

"(B) will not adversely affect the range of services, the quality of care, or the established priorities for care provided by either Department; and

"(C) will not reduce capacities in certain specialized programs of the Department of Veterans Affairs that the Secretary is required to maintain in accordance with section 1706(b) of this title.

"(2) To facilitate the sharing and coordination of health care services between the two Departments, the two Secretaries shall jointly develop and implement guidelines for a standardized, uniform payment and reimbursement schedule for those services. Such schedule shall be implemented no later than October 1, 2003, and shall be revised periodically as necessary. The two Secretaries, following implementation of the schedule, may on a case-by-case basis waive elements of the schedule if they jointly agree that such a waiver is in the best interests of both Departments.

"(3)(A) The guidelines established under paragraph (1) shall authorize the heads of individual Department of Defense and Department of Veterans Affairs medical facilities and service regions to enter into health care resources coordination and sharing agreements.

"(B) Under any such agreement, an individual who is a primary beneficiary of one Department may be provided health care, as provided in the agreement, at a facility or in the service region of the other Department that is a party to the sharing agreement.

"(C) Each such agreement shall identify the health care resources to be shared.

"(D) Each such agreement shall provide, and shall specify procedures designed to ensure, that the availability of direct health care to individuals who are not primary beneficiaries of the providing Department is (i) on a referral basis from the facility or service region of the other Department, and (ii) does not (as determined by the head of the providing facility or region) adversely affect the range of services, the quality of care, or the established priorities for care provided to the primary beneficiaries of the providing Department.

"(E) Each such agreement shall provide that a providing Department or service region shall be reimbursed for the cost of the health care resources provided under the agreement and that the rate of such reimbursement shall be as determined in accordance with paragraph (2).

"(F) Each proposal for an agreement under this paragraph shall be effective (i) on the 46th day after the receipt of such proposal by the Committee, unless earlier disapproved, or (ii) if earlier approved by the Committee, on the date of such approval.

"(G) Any funds received through such a uniform payment and reimbursement schedule shall be credited to funds that have been allotted to the facility of either Department that provided the care or services, or is due the funds from, any such agreement.

"(f) ANNUAL JOINT REPORT.—(1) At the time the President's budget is transmitted to Congress in any year pursuant to section 1105 of title 31, the two Secretaries shall submit to Congress a joint report on health care coordination and sharing activities under this section during the fiscal year that ended during the previous calendar year.

"(2) Each report under this section shall include the following:

"(A) The guidelines prescribed under subsection (e) (and any revision of such guidelines).

"(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.

"(D) A review of the sharing agreements entered into under subsection (e) and a summary of activities under such agreements during such fiscal year and a description of the results of such agreements in improving access to, and the 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.

"(E) A summary of other planning and activities involving either Department in connection with promoting the coordination and sharing of Federal health-care resources during the preceding fiscal year.

"(F) Such recommendations for legislation as the two Secretaries consider appropriate to facilitate the sharing of health-care resources between the two Departments.

"(3) In addition to the matters specified in paragraph (2), the two Secretaries shall include in the annual report under this subsection 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 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) Enumerations and explanations of major policy decisions reached by the two Secretaries during the period covered by the report period with respect to sharing between the two Departments.

"(B) A description of progress made in new ventures or particular areas of sharing and coordination that would be of policy interest to Congress consistent with the intent of such subtitle.

"(C) A description of enhancements of access to care of beneficiaries of both Departments that came about as a result of new sharing approaches brought about by such subtitle.

"(D) A description of proposals for which funds are provided through the joint incentives program under subsection (d), together with a description of their results or status at the time of the report, including access improvements, savings, and quality-of-care enhancements they brought about, and a description of any additional use of funds made available under subsection (d).

"(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 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, including—

"(i) a statement of the numbers and types of requests for waivers under that section of administrative policies that have been made during the period covered by the report and, for each such request, an explanation of the content of each request, the intended purpose or result of the requested waiver, and the disposition of each request; and

"(ii) descriptions of any new administrative policies that enhance the success of the project.

"(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, 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.

"(g) DEFINITIONS.—For the purposes of this section:

"(1) The term 'beneficiary' means a person who is a primary beneficiary of the Department of Veterans Affairs or of the Department of Defense.

"(2) The term 'direct health care' means health care provided to a beneficiary in a medical facility operated by the Department of Veterans Affairs or the Department of Defense.

"(3) The term 'head of a medical facility' (A) with respect to a medical facility of the Department of Veterans Affairs, means the director of the facility, and (B) with respect to a medical facility of the Department of Defense, means the medical or dental officer in charge or the contract surgeon in charge.

"(4) The term 'health-care resource' includes hospital care, medical services, and rehabilitative services, as those terms are defined in paragraphs (5), (6), and (8), respectively, of section 1701 of this title, services under sections 1782 and 1783 of this title, any other health-care service, and any health-care support or administrative resource.

"(5) The term 'primary beneficiary' (A) with respect to the Department means a person who is eligible under this title (other than under section 1782, 1783, or 1784 or subsection (d) of this section) or any other provision of law for care or services in Department medical facilities, and (B) with respect to the Department of Defense, means a member or former member of the Armed Forces who is eligible for care under section 1074 of title 10.

"(6) The term 'providing Department' means the Department of Veterans Affairs, in the case of care or services furnished by a facility of the Department of Veterans Affairs, and the Department of Defense, in the case of care or services furnished by a facility of the Department of Defense.

"(7) The term 'service region' means a geographic service area of the Veterans Health Administration, in the case of the

Department of Veterans Affairs, and a service region, in the case of the Department of Defense.".

(2) The item relating to that section in the table of sections at the beginning of chapter 81 of title 38, United States Code, is amended to read as follows:

"8111. Sharing of Department of Veterans Affairs and Department of Defense health care resources.".

(b) CONFORMING AMENDMENT.—Section 1104(a) of title 10, United States Code, is amended by striking "may" and inserting "shall".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2003.

SEC. 722. HEALTH CARE RESOURCES SHARING AND COORDINATION PROJECT.

(a) ESTABLISHMENT.—(1) The Secretary of Veterans Affairs and the Secretary of Defense shall conduct a health care resources sharing project to serve as a test for evaluating the feasibility, and the advantages and disadvantages, of measures and programs designed to improve the sharing and coordination of health care and health care resources between the Department of Veterans Affairs and the Department of Defense. The project shall be carried out, as a minimum, at the sites identified under subsection (b).

(2) Reimbursement between the two Departments with respect to the project under this section shall be made in accordance with the provisions of section 8111(e)(2) of title 38, United States Code, as amended by section 721(a).

(b) SITE IDENTIFICATION.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretaries shall jointly identify not less than three sites for the conduct of the project under this section.

(2) For purposes of this section, a site at which the resource sharing project shall be carried out is an area in the United States in which—

(A) one or more military treatment facilities and one or more VA health care facilities are situated in relative proximity to each other, including facilities engaged in joint ventures as of the date of the enactment of this Act; and

(B) for which an agreement to coordinate care and programs for patients at those facilities could be implemented not later than October 1, 2004.

(c) CONDUCT OF PROJECT.—(1) At sites at which the project is conducted, the Secretaries shall provide a test of a coordinated management system for the military treatment facilities and VA health care facilities participating in the project. Such a coordinated management system for a site shall include at least one of the elements specified in paragraph (2), and each of the elements specified in that paragraph must be included in the coordinated management system for at least one of the participating sites.

(2) Elements of a coordinated management system referred to in paragraph (1) are the following:

(A) A budget and financial management system for those facilities that—

(i) provides managers with information about the costs of providing health care by both Departments at the site; and

(ii) allows managers to assess the advantages and disadvantages (in terms of relative costs, benefits, and opportunities) of using resources of either Department to provide or enhance health care to beneficiaries of either Department.

(B) A coordinated staffing and assignment system for the personnel (including contract personnel) employed at or assigned to those facilities, including clinical practitioners of either Department.

(C) Medical information and information technology systems for those facilities that—

(i) are compatible with the purposes of the project;

(ii) communicate with medical information and information technology systems of corresponding elements of those facilities; and

(iii) incorporate minimum standards of information quality that are at least equivalent to those adopted for the Departments at large in their separate health care systems.

(d) AUTHORITY TO WAIVE CERTAIN ADMINISTRATIVE POLICIES.—(1)(A) In order to carry out subsection (c), the Secretary of Defense may, in the Secretary's discretion, waive any administrative policy of the Department of Defense otherwise applicable to that subsection that specifically conflicts with the purposes of the project, in instances in which the Secretary determines that the waiver is necessary for the purposes of the project.

(B) In order to carry out subsection (c), the Secretary of Veterans Affairs may, in the Secretary's discretion, waive any administrative policy of the Department of Veterans Affairs otherwise applicable to that subsection that specifically conflicts with the purposes of the project, in instances in which the Secretary determines that the waiver is necessary for the purposes of the project.

(C) The two Secretaries shall establish procedures for resolving disputes that may arise from the effects of policy changes that are not covered by other agreements or existing procedures.

(2) No waiver under paragraph (1) may alter any labor-management agreement in effect as of the date of the enactment of this Act or adopted by either Department during the period of the project.

(e) USE BY DOD OF CERTAIN TITLE 38 PERSONNEL AUTHORITIES.—(1) In order to carry out subsection (c), the Secretary of Defense may apply to civilian personnel of the Department of Defense assigned to or employed at a military treatment facility participating in the project any of the provisions of subchapters I, III, and IV of chapter 74 of title 38, United States Code, determined appropriate by the Secretary.

(2) For purposes of paragraph (1), any reference in chapter 74 of title 38, United States Code—

(A) to the "Secretary" or the "Under Secretary for Health" shall be treated as referring to the Secretary of Defense; and

(B) to the "Veterans Health Administration" shall be treated as referring to the Department of Defense.

(f) FUNDING.—From amounts available for health care for a fiscal year, each Secretary shall make available to carry out the project not less than—

(1) $3,000,000 for fiscal year 2003;

(2) $6,000,000 for fiscal year 2004; and

(3) $9,000,000 for each succeeding year during which the project is in effect.

(g) DEFINITIONS.—For purposes of this section:

(1) The term "military treatment facility" means a medical facility under the jurisdiction of the Secretary of a military department.

(2) The term "VA health care facility" means a facility under the jurisdiction of the Veterans Health Administration of the Department of Veterans Affairs.

(h) PERFORMANCE REVIEW.—(1) The Comptroller General shall provide for an annual on-site review at each of the project locations selected by the Secretaries under this section.

(2) Not later than 90 days after completion of the annual review under paragraph (1), the Comptroller General shall submit a report on such review to the Committees on Armed Services and Veterans' Affairs of the Senate and House of Representatives.

(3) Each such report shall include the following:

(A) The strategic mission coordination between shared activities.

(B) The accuracy and validity of performance data used to evaluate sharing performance and changes in standards of care or services at the shared facilities.

(C) A statement that all appropriated funds designated for sharing activities are being used for direct support of sharing initiatives.

(D) Recommendations concerning continuance of the project at each site for the succeeding 12-month period.

(4) Whenever there is a recommendation under paragraph (3)(D) to discontinue a resource sharing project under this section, the two Secretaries shall act upon that recommendation as soon as practicable.

(5) In the initial report under this subsection, the Comptroller General shall validate the baseline information used for comparative analysis.

(i) TERMINATION.—(1) The project, and the authority provided by this section, shall terminate on September 30, 2007.

(2) The two Secretaries jointly may terminate the performance of the project at any site when the performance of the project at that site fails to meet performance expectations of the Secretaries, based on recommendations from the Comptroller General under subsection (h) or on other information available to the Secretaries to warrant such action.

SEC. 723. REPORT ON IMPROVED COORDINATION AND SHARING OF HEALTH CARE AND HEALTH CARE RESOURCES FOLLOWING DOMESTIC ACTS OF TERRORISM OR DOMESTIC USE OF WEAPONS OF MASS DESTRUCTION.

(a) JOINT REVIEW.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly review the adequacy of current processes and existing statutory authorities and policy governing the capability of the Department of Defense and the Department of Vet-

erans Affairs to provide health care to members of the Armed Forces following domestic acts of terrorism or domestic use of weapons of mass destruction, both before and after any declaration of national emergency. Such review shall include a determination of the adequacy of current authorities in providing for the coordination and sharing of health care resources between the two Departments in such cases, particularly before the declaration of a national emergency.

(b) REPORT TO CONGRESS.—The two Secretaries shall include a joint report on the review under subsection (a), including any recommended legislative changes, shall be submitted to Congress as part of the fiscal year 2004 budget submission to Congress.

SEC. 724. INTEROPERABILITY OF DEPARTMENT OF VETERANS AFFAIRS AND DEPARTMENT OF DEFENSE PHARMACY DATA SYSTEMS.

(a) INTEROPERABILITY.—The Secretary of Veterans Affairs and the Secretary of Defense shall seek to ensure that on or before October 1, 2004, the Department of Veterans Affairs pharmacy data system and the Department of Defense pharmacy data system (known as the "Pharmacy Data Transaction System") are interoperable for both Department of Defense beneficiaries and Department of Veterans Affairs beneficiaries by achieving real-time interface, data exchange, and checking of prescription drug data of outpatients, and using national standards for the exchange of outpatient medication information.

(b) ALTERNATIVE REQUIREMENT.—If the interoperability specified in subsection (a) is not achieved by October 1, 2004, as determined jointly by the Secretary of Defense and the Secretary of Veterans Affairs, the Secretary of Veterans Affairs shall adopt the Department of Defense Pharmacy Data Transaction System for use by the Department of Veterans Affairs health care system. Such system shall be fully operational not later than October 1, 2005.

(c) IMPLEMENTATION FUNDING FOR ALTERNATIVE REQUIREMENT.—The Secretary of Defense shall transfer to the Secretary of Veterans Affairs, or shall otherwise bear the cost of, an amount sufficient to cover three-fourths of the cost to the Department of Veterans Affairs for computer programming activities and relevant staff training expenses related to implementation of subsection (b). Such amount shall be determined in such manner as agreed to by the two Secretaries.

SEC. 725. JOINT PILOT PROGRAM FOR PROVIDING GRADUATE MEDICAL EDUCATION AND TRAINING FOR PHYSICIANS.

(a) IN GENERAL.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly carry out a pilot program under which graduate medical education and training is provided to military physicians and physician employees of the Department of Defense and the Department of Veterans Affairs through one or more programs carried out in military medical treatment facilities of the Department of Defense and medical centers of the Department of Veterans Affairs. The pilot program shall begin not later than January 1, 2003.

(b) COST-SHARING AGREEMENT.—The Secretaries shall enter into an agreement for carrying out the pilot program. The agreement shall establish means for each Secretary to assist in paying the costs, with respect to individuals under the jurisdiction of that

Secretary, incurred by the other Secretary in providing medical education and training under the pilot program.

(c) USE OF EXISTING AUTHORITIES.—To carry out the pilot program, the Secretary of Defense and the Secretary of Veterans Affairs may use authorities provided to them under this subtitle, section 8111 of title 38, United States Code (as amended by section 721(a)), and other laws relating to the furnishing or support of medical education and the cooperative use of facilities.

(d) TERMINATION OF PROGRAM.—The pilot program under this section shall terminate on July 31, 2008.

(e) REPEAL OF SUPERSEDED PROVISION.—Section 738 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 10 U.S.C. 1094 note; 115 Stat.1173) is repealed.

SEC. 726. REPEAL OF CERTAIN LIMITS ON DEPARTMENT OF VETERANS AFFAIRS RESOURCES.

(a) REPEAL OF VA BED LIMITS.—Section 8110(a)(1) of title 38, United States Code, is amended—

(1) in the first sentence, by striking "at not more than 125,000 and not less than 100,000";

(2) in the third sentence, by striking "shall operate and maintain a total of not less than 90,000 hospital beds and nursing home beds and"; and

(3) in the fourth sentence, by striking "to enable the Department to operate and maintain a total of not less than 90,000 hospital and nursing home beds in accordance with this paragraph and".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 2003.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Policy and Management

Sec. 801. Buy-to-budget acquisition of end items.
Sec. 802. Report to Congress on evolutionary acquisition of major defense acquisition programs.
Sec. 803. Spiral development under major defense acquisition programs.
Sec. 804. Improvement of software acquisition processes.
Sec. 805. Performance goals for procuring services pursuant to multiple award contracts.
Sec. 806. Rapid acquisition and deployment procedures.
Sec. 807. Quick-reaction special projects acquisition team.

Subtitle B—Amendments to General Contracting Authorities, Procedures, and Limitations

Sec. 811. Limitation period for task and delivery order contracts.
Sec. 812. One-year extension of program applying simplified procedures to certain commercial items; report.
Sec. 813. Extension and improvement of personnel demonstration policies and procedures applicable to the civilian acquisition workforce.
Sec. 814. Past performance given significant weight in renewal of procurement technical assistance cooperative agreements.
Sec. 815. Increased maximum amount of assistance for tribal organizations or economic enterprises carrying out procurement technical assistance programs in two or more service areas.
Sec. 816. Extension of contract goal for small disadvantaged businesses and certain institutions of higher education.

Sec. 817. Grants of exceptions to cost or pricing data certification requirements and waivers of cost accounting standards.
Sec. 818. Timing of certification in connection with waiver of survivability and lethality testing requirements.
Sec. 819. Contracting with Federal Prison Industries.
Sec. 820. Revisions to multiyear contracting authority.

Subtitle C—Acquisition-Related Reports and Other Matters

Sec. 821. Evaluation of training, knowledge, and resources regarding negotiation of intellectual property arrangements.
Sec. 822. Independent technology readiness assessments.
Sec. 823. Extension and amendment of requirement for annual report on defense commercial pricing management improvement.
Sec. 824. Assessment of purchases of products and services through contracts with other Federal departments and agencies.
Sec. 825. Repeal of certain requirements and Comptroller General reviews of the requirements.
Sec. 826. Multiyear procurement authority for purchase of dinitrogen tetroxide, hydrazine, and hydrazine-related products.
Sec. 827. Multiyear procurement authority for environmental services for military installations.
Sec. 828. Report on effects of Army Contracting Agency.
Sec. 829. Authorization to take actions to correct the industrial resource shortfall for radiation-hardened electronics.

Subtitle A—Acquisition Policy and Management

SEC. 801. BUY-TO-BUDGET ACQUISITION OF END ITEMS.

(a) AUTHORITY.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2307 the following new section:

"§ 2308. Buy-to-budget acquisition: end items

"(a) AUTHORITY TO ACQUIRE ADDITIONAL END ITEMS.—Using funds available to the Department of Defense for the acquisition of an end item, the head of an agency making the acquisition may acquire a higher quantity of the end item than the quantity specified for the end item in a law providing for the funding of that acquisition if that head of an agency makes each of the following findings:

"(1) The agency has an established requirement for the end item that is expected to remain substantially unchanged throughout the period of the acquisition.

"(2) It is possible to acquire the higher quantity of the end item without additional funding because of production efficiencies or other cost reductions.

"(3) The amount of the funds used for the acquisition of the higher quantity of the end item will not exceed the amount provided under that law for the acquisition of the end item.

"(4) The amount so provided is sufficient to ensure that each unit of the end item acquired within the higher quantity is fully funded as a complete end item.

"(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations for the administration of this section. The regulations shall include, at a minimum, the following:

"(1) The level of approval within the Department of Defense that is required for a decision to acquire a higher quantity of an end item under subsection (a).

"(2) Authority (subject to subsection (a)) to acquire up to 10 percent more than the quantity of an end item approved in a justification and approval of the use of procedures other than competitive procedures for the acquisition of the end item under section 2304 of this title.

"(c) NOTIFICATION OF CONGRESS.—The head of an agency is not required to notify Congress in advance regarding a decision under the authority of this section to acquire a higher quantity of an end item than is specified in a law described in subsection (a), but shall notify the congressional defense committees of the decision not later than 30 days after the date of the decision.

"(d) WAIVER BY OTHER LAW.—A provision of law may not be construed as prohibiting the acquisition of a higher quantity of an end item under this section unless that provision of law—

"(1) specifically refers to this section; and

"(2) specifically states that the acquisition of the higher quantity of the end item is prohibited notwithstanding the authority provided in this section.

"(e) DEFINITIONS.—(1) For the purposes of this section, a quantity of an end item shall be considered specified in a law if the quantity is specified either in a provision of that law or in any related representation that is set forth separately in a table, chart, or explanatory text included in a joint explanatory statement or governing committee report accompanying the law.

"(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) The term 'end item' means a production product assembled, completed, and ready for issue or deployment.

"(C) 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.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2307 the following new item:

"2308. Buy-to-budget acquisition: end items.".

(b) TIME FOR ISSUANCE OF FINAL REGULATIONS.—The Secretary of Defense shall issue the final regulations under section 2308(b) of title 10, United States Code (as added by subsection (a)), not later than 120 days after the date of the enactment of this Act.

SEC. 802. REPORT TO CONGRESS ON EVOLUTIONARY ACQUISITION OF MAJOR DEFENSE ACQUISITION PROGRAMS.

(a) REPORT REQUIRED.—(1) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the approach that the Secretary plans to take to apply the requirements listed in paragraph (2) to major defense acquisition programs that follow the evolutionary acquisition process.

(2) The requirements referred to in paragraph (1) are—

(A) the requirements of chapter 144 of title 10, United States Code;

(B) sections 139, 181, 2366, 2399, and 2400 of such title;

(C) Department of Defense Directive 5000.1;

(D) Department of Defense Instruction 5000.2;

(E) Chairman of the Joint Chiefs of Staff Instruction 3170.01B; and

(F) other provisions of law and regulations (including successor documents) that are applicable to such programs.

(b) CONTENT OF REPORT.—The report shall, at a minimum, address the following matters:

(1) The manner in which the Secretary plans to establish and approve, for each increment of an evolutionary acquisition process—

(A) operational requirements; and

(B) cost and schedule goals.

(2) The manner in which the Secretary plans, for each increment of an evolutionary acquisition process—

(A) to meet requirements for operational testing and live fire testing;

(B) to monitor cost and schedule performance; and

(C) to comply with laws requiring reports to Congress on results testing and on cost and schedule performance.

(3) The manner in which the Secretary plans to ensure that each increment of an evolutionary acquisition process is designed—

(A) to achieve interoperability within and among United States forces and United States coalition partners; and

(B) to optimize total system performance and minimize total ownership costs by giving appropriate consideration to—

(i) logistics planning;

(ii) manpower, personnel, and training;

(iii) human, environmental, safety, occupational health, accessibility, survivability, operational continuity, and security factors;

(iv) protection of critical program information; and

(v) spectrum management.

(c) DEFINITIONS.—In this section:

(1) The term "evolutionary acquisition process" means a process by which an acquisition program is conducted through discrete phases or blocks, with each phase or block consisting of the planned definition, development, production or acquisition, and fielding of hardware or software that provides operationally useful capability.

(2) The term "increment", with respect to an evolutionary acquisition program, means one of the discrete phases or blocks of such program.

(3) The term "major defense acquisition program" has the meaning given such term in section 139(a)(2)(B) of title 10, United States Code.

SEC. 803. SPIRAL DEVELOPMENT UNDER MAJOR DEFENSE ACQUISITION PROGRAMS.

(a) AUTHORITY.—The Secretary of Defense is authorized to conduct major defense acquisition programs as spiral development programs.

(b) LIMITATION ON SPIRAL DEVELOPMENT PROGRAMS.—A research and development program for a major defense acquisition program of a military department or Defense Agency may not be conducted as a spiral development program unless the Secretary of Defense approves the spiral development plan for that research and development program in accordance with subsection (c). The Secretary of Defense may delegate authority to approve the plan to the Under Secretary of Defense for Acquisition, Technology, and Logistics, or to the senior acquisition executive of the military department or Defense Agency concerned, but such authority may not be further delegated.

(c) SPIRAL DEVELOPMENT PLANS.—A spiral development plan for a research and development program for a major defense acquisition program shall, at a minimum, include the following matters:

(1) A rationale for dividing the research and development program into separate spirals, together with a preliminary identification of the spirals to be included.

(2) A program strategy, including overall cost, schedule, and performance goals for the total research and development program.

(3) Specific cost, schedule, and performance parameters, including measurable exit criteria, for the first spiral to be conducted.

(4) A testing plan to ensure that performance goals, parameters, and exit criteria are met.

(5) An appropriate limitation on the number of prototype units that may be produced under the research and development program.

(6) Specific performance parameters, including measurable exit criteria, that must be met before the major defense acquisition program proceeds into production of units in excess of the limitation on the number of prototype units.

(d) GUIDANCE.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall issue guidance for the implementation of spiral development programs authorized by this section. The guidance shall include appropriate processes for ensuring the independent validation of exit criteria being met, the operational assessment of fieldable prototypes, and the management of spiral development programs.

(e) REPORTING REQUIREMENT.—The Secretary shall submit to Congress by September 30 of each of 2003 through 2008 a status report on each research and development program that is a spiral development program. The report shall contain information on unit costs that is similar to the information on unit costs under major defense acquisition programs that is required to be provided to Congress under chapter 144 of title 10, United States Code, except that the information on unit costs shall address projected prototype costs instead of production costs.

(f) APPLICABILITY OF EXISTING LAW.—Nothing in this section shall be construed to exempt any program of the Department of De-

fense from the application of any provision of chapter 144 of title 10, United States Code, section 139, 181, 2366, 2399, or 2400 of such title, or any requirement under Department of Defense Directive 5000.1, Department of Defense Instruction 5000.2, or Chairman of the Joint Chiefs of Staff Instruction 3170.01B in accordance with the terms of such provision or requirement.

(g) DEFINITIONS.—In this section:

(1) The term "spiral development program", with respect to a research and development program, means a program that—

(A) is conducted in discrete phases or blocks, each of which will result in the development of fieldable prototypes; and

(B) will not proceed into acquisition until specific performance parameters, including measurable exit criteria, have been met.

(2) The term "spiral" means one of the discrete phases or blocks of a spiral development program.

(3) The term "major defense acquisition program" has the meaning given such term in section 139(a)(2)(B) of title 10, United States Code.

SEC. 804. IMPROVEMENT OF SOFTWARE ACQUISITION PROCESSES.

(a) ESTABLISHMENT OF PROGRAMS.—(1) The Secretary of each military department shall establish a program to improve the software acquisition processes of that military department.

(2) The head of each Defense Agency that manages a major defense acquisition program with a substantial software component shall establish a program to improve the software acquisition processes of that Defense Agency.

(3) The programs required by this subsection shall be established not later than 120 days after the date of the enactment of this Act.

(b) PROGRAM REQUIREMENTS.—A program to improve software acquisition processes under this section shall, at a minimum, include the following:

(1) A documented process for software acquisition planning, requirements development and management, project management and oversight, and risk management.

(2) Efforts to develop appropriate metrics for performance measurement and continual process improvement.

(3) A process to ensure that key program personnel have an appropriate level of experience or training in software acquisition.

(4) A process to ensure that each military department and Defense Agency implements and adheres to established processes and requirements relating to the acquisition of software.

(c) DEPARTMENT OF DEFENSE GUIDANCE.—The Assistant Secretary of Defense for Command, Control, Communications, and Intelligence, in consultation with the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall—

(1) prescribe uniformly applicable guidance for the administration of all of the programs established under subsection (a) and take such actions as are necessary to ensure that the military departments and Defense Agencies comply with the guidance; and

(2) assist the Secretaries of the military departments and the heads of the Defense Agencies to carry out such programs effectively by—

(A) ensuring that the criteria applicable to the selection of sources provides added emphasis on past performance of potential sources, as well as on the maturity of the software products offered by the potential sources; and

(B) identifying, and serving as a clearinghouse for information regarding, best practices in software development and acquisition in both the public and private sectors.

(d) DEFINITIONS.—In this section:

(1) The term "Defense Agency" has the meaning given the term in section 101(a)(11) of title 10, United States Code.

(2) The term "major defense acquisition program" has the meaning given such term in section 139(a)(2)(B) of title 10, United States Code.

SEC. 805. PERFORMANCE GOALS FOR PROCURING SERVICES PURSUANT TO MULTIPLE AWARD CONTRACTS.

(a) PERFORMANCE GOALS.—Subsection (a) of section 802 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1178; 10 U.S.C. 2330 note) is amended to read as follows:

"(a) GOALS.—(1) It shall be an objective of the Department of Defense to achieve efficiencies in procurements of services pursuant to multiple award contracts through the use of—

"(A) performance-based services contracting;

"(B) appropriate competition for task orders under services contracts;

"(C) program review, spending analyses, and improved management of services contracts.

"(2) In furtherance of such objective, the Department of Defense shall have the following goals:

"(A) To increase, as a percentage of all of the individual purchases of services made by or for the Department of Defense under multiple award contracts for a fiscal year (calculated on the basis of dollar value), the volume of the individual purchases of services that are made on a competitive basis and involve receipt of more than one offer from qualified contractors to a percentage as follows:

"(i) For fiscal year 2003, a percentage not less than 40 percent.

"(ii) For fiscal year 2004, a percentage not less than 50 percent.

"(iii) For fiscal year 2011, a percentage not less than 75 percent.

"(B) To increase, as a percentage of all of the individual purchases of services made by or for the Department of Defense under multiple award contracts for a fiscal year (calculated on the basis of dollar value), the use of performance-based purchasing specifying firm fixed prices for the specific tasks to be performed to a percentage as follows:

"(i) For fiscal year 2003, a percentage not less than 25 percent.

"(ii) For fiscal year 2004, a percentage not less than 35 percent.

"(iii) For fiscal year 2005, a percentage not less than 50 percent.

"(iv) For fiscal year 2011, a percentage not less than 70 percent.

"(3) The Secretary of Defense may adjust any percentage goal established in paragraph (2) if the Secretary determines in writing that such a goal is too high and cannot reasonably be achieved. In the event that the Secretary chooses to adjust such a goal, the Secretary shall—

"(A) establish a percentage goal that the Secretary determines would create an appropriate incentive for Department of Defense components to use competitive procedures or performance-based services contracting, as the case may be; and

"(B) submit to the congressional defense committees a report containing an explanation of the reasons for the Secretary's determination and a statement of the new goal that the Secretary has established.".

(b) EXTENSION AND REVISION OF REPORTING REQUIREMENT.—Subsection (b) of such section is amended—

(1) by striking "March 1, 2006" and inserting "March 1, 2011"; and

(2) by amending paragraph (5) to read as follows:

"(5) Regarding the individual purchases of services that were made by or for the Department of Defense under multiple award contracts in the fiscal year preceding the fiscal year in which the report is required to be submitted, information (determined using the data collection system established under section 2330a of title 10, United States Code) as follows:

"(A) The percentage (calculated on the basis of dollar value) of such purchases that are purchases that were made on a competitive basis and involved receipt of more than one offer from qualified contractors.

"(B) The percentage (calculated on the basis of dollar value) of such purchases that are performance-based purchases specifying firm fixed prices for the specific tasks to be performed.".

(c) DEFINITIONS.—Such section is further amended by adding at the end the following new subsection:

"(c) DEFINITIONS.—(1) In this section, the terms 'individual purchase' and 'multiple award contract' have the meanings given such terms in section 803(c) of this Act.

"(2) For the purposes of this section, an individual purchase of services is made on a competitive basis only if it is made pursuant to procedures described in paragraphs (2), (3), and (4) of section 803(b) of this Act.".

*(d) CONFORMING AMENDMENT.—The heading for such section is amended by striking "**SAVINGS GOALS**" and inserting "**PERFORMANCE GOALS**".*

SEC. 806. RAPID ACQUISITION AND DEPLOYMENT PROCEDURES.

(a) REQUIREMENT TO ESTABLISH PROCEDURES.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe procedures for the rapid acquisition and deployment of items that are—

(1) currently under development by the Department of Defense or available from the commercial sector; and

(2) urgently needed to react to an enemy threat or to respond to significant and urgent safety situations.

(b) ISSUES TO BE ADDRESSED.—The procedures prescribed under subsection (a) shall include the following:

(1) A process for streamlined communications between the Chairman of the Joint Chiefs of Staff, the acquisition community, and the research and development community, including—

(A) a process for the commanders of the combatant commands and the Joint Chiefs of Staff to communicate their needs to the acquisition community and the research and development community; and

(B) a process for the acquisition community and the research and development community to propose items that meet the needs communicated by the combatant commands and the Joint Chiefs of Staff.

(2) Procedures for demonstrating, rapidly acquiring, and deploying items proposed pursuant to paragraph (1)(B), including—

(A) a process for demonstrating performance and evaluating for current operational purposes the existing capability of an item;

(B) a process for developing an acquisition and funding strategy for the deployment of an item; and

(C) a process for making deployment determinations based on information obtained pursuant to subparagraphs (A) and (B).

(c) TESTING REQUIREMENT.—(1) The process for demonstrating performance and evaluating for current operational purposes the existing capability of an item prescribed under subsection (b)(2)(A) shall include—

(A) an operational assessment in accordance with procedures prescribed by the Director of Operational Test and Evaluation; and

(B) a requirement to provide information about any deficiency of the item in meeting the original requirements for the item (as stated in an operational requirements document or similar document) to the deployment decisionmaking authority.

(2) The process may not include a requirement for any deficiency of an item to be the determining factor in deciding whether to deploy the item.

(d) LIMITATION.—The quantity of items of a system procured using the procedures prescribed pursuant to this section may not exceed the number established for low-rate initial production for the system. Any such items shall be counted for purposes of the number of items of the system that may be procured through low-rate initial production.

SEC. 807. QUICK-REACTION SPECIAL PROJECTS ACQUISITION TEAM.

(a) ESTABLISHMENT.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall establish a team of highly qualified acquisition professionals who shall be available to advise the Under Secretary on actions that can be taken to expedite the acquisition of urgently needed systems.

(b) DUTIES.—The issues on which the team may provide advice shall include the following:

(1) Industrial base issues, including the limited availability of suppliers.

(2) Technology development and technology transition issues.

(3) Issues of acquisition policy, including the length of the acquisition cycle.

(4) Issues of testing policy and ensuring that weapon systems perform properly in combat situations.

(5) Issues of procurement policy, including the impact of socio-economic requirements.

(6) Issues relating to compliance with environmental requirements.

Subtitle B—Amendments to General Contracting Authorities, Procedures, and Limitations

SEC. 811. LIMITATION PERIOD FOR TASK AND DELIVERY ORDER CONTRACTS.

(a) LIMITATION PERIOD.—Section 2306c of title 10, United States Code, is amended by adding at the end the following new subsection:

"(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.".

(b) EFFECTIVE DATE.—Subsection (g) of section 2306c of title 10, United States Code, as added by subsection (a), shall apply to all task order and delivery order contracts entered into on or after the date of the enactment of this Act.

(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).

SEC. 812. ONE-YEAR EXTENSION OF PROGRAM APPLYING SIMPLIFIED PROCEDURES TO CERTAIN COMMERCIAL ITEMS; REPORT.

(a) EXTENSION OF PILOT PROGRAM.—Section 4202 of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106; 10 U.S.C. 2304 note) is amended in subsection (e) by striking "January 1, 2003" and inserting "January 1, 2004".

(b) REPORT REQUIRED.—(1) Not later than March 15, 2003, the Comptroller General shall submit to Congress a report on the authority to issue solicitations for purchases of commercial items in excess of the simplified acquisition threshold pursuant to the special

simplified procedures authorized by section 2304(g)(1) of title 10, United States Code, and section 31(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 427(a)).

(2) The report required by paragraph (1) shall address, at a minimum—

(A) the extent to which such authority has been used by the Secretary of Defense;

(B) the benefits realized by the Department of Defense through the use of such authority;

(C) the impact of the use of such authority on competition for contracts with the Department of Defense; and

(D) any recommendations of the Comptroller General for the continuation or modification of such authority.

SEC. 813. EXTENSION AND IMPROVEMENT OF PERSONNEL DEMONSTRATION POLICIES AND PROCEDURES APPLICABLE TO THE CIVILIAN ACQUISITION WORKFORCE.

(a) PLAN REQUIRED.—(1) The Secretary of Defense shall develop a plan for improving the personnel management policies and procedures applicable to the Department of Defense civilian acquisition workforce based on the results of the demonstration project described in section 4308 of the Clinger–Cohen Act of 1996 (divisions D and E of Public Law 104–106; 10 U.S.C. 1701 note).

(2) Not later than February 15, 2003, the Secretary shall submit to Congress the plan required under paragraph (1) and a report on the plan, including any recommendations for legislative action necessary to implement the plan.

(b) EXTENSION OF DEMONSTRATION PROJECT AUTHORITY.—Section 4308 of the Clinger–Cohen Act of 1996 (divisions D and E of Public Law 104–106; 10 U.S.C. 1701 note) is amended—

(1) in subsection (b)(2)(C), by striking "subsection (d)(1)(A)" and inserting "subsection (d)(1)";

(2) by amending subparagraph (B) of subsection (b)(3) to read as follows:

"(B) commences before October 1, 2007."; and

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

"(e) TERMINATION OF AUTHORITY.—The authority to conduct a demonstration program under this section shall terminate on September 30, 2012.".

SEC. 814. PAST PERFORMANCE GIVEN SIGNIFICANT WEIGHT IN RENEWAL OF PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENTS.

Section 2413 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) In conducting a competition for the award of a cooperative agreement under subsection (a), and in determining the level of funding to provide under an agreement under subsection (b), the Secretary shall give significant weight to successful past performance of eligible entities under a cooperative agreement under this section.".

SEC. 815. INCREASED MAXIMUM AMOUNT OF ASSISTANCE FOR TRIBAL ORGANIZATIONS OR ECONOMIC ENTERPRISES CARRYING OUT PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS IN TWO OR MORE SERVICE AREAS.

Section 2414(a)(4) of title 10, United States Code, is amended by striking "$300,000" and inserting "$600,000".

SEC. 816. EXTENSION OF CONTRACT GOAL FOR SMALL DISADVANTAGED BUSINESSES AND CERTAIN INSTITUTIONS OF HIGHER EDUCATION.

Section 2323(k) of title 10, United States Code, is amended by striking "2003" both places it appears and inserting "2006".

SEC. 817. GRANTS OF EXCEPTIONS TO COST OR PRICING DATA CERTIFICATION REQUIREMENTS AND WAIVERS OF COST ACCOUNTING STANDARDS.

(a) GUIDANCE FOR EXCEPTIONS IN EXCEPTIONAL CIRCUMSTANCES.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall issue guidance on the circumstances under which it is appropriate to grant an exceptional case exception or waiver with respect to certified cost and pricing data and cost accounting standards.

(b) DETERMINATION REQUIRED FOR EXCEPTIONAL CASE EXCEPTION OR WAIVER.—The guidance shall, at a minimum, include a limitation that a grant of an exceptional case exception or waiver is appropriate with respect to a contract, subcontract, or (in the case of submission of certified cost and pricing data) modification only upon a determination that—

(1) the property or services cannot reasonably be obtained under the contract, subcontract, or modification, as the case may be, without the grant of the exception or waiver;

(2) the price can be determined to be fair and reasonable without the submission of certified cost and pricing data or the application of cost accounting standards, as the case may be; and

(3) there are demonstrated benefits to granting the exception or waiver.

(c) APPLICABILITY OF NEW GUIDANCE.—The guidance issued under subsection (a) shall apply to each exceptional case exception or waiver that is granted on or after the date on which the guidance is issued.

(d) ANNUAL REPORT ON BOTH COMMERCIAL ITEM AND EXCEPTIONAL CASE EXCEPTIONS AND WAIVERS WITH PRICE OR VALUE GREATER THAN $15,000,000.—(1) The Secretary of Defense shall transmit to the congressional defense committees promptly after the end of each fiscal year a report on commercial item exceptions, and exceptional case exceptions and waivers, described in paragraph (2) that were granted during that fiscal year.

(2) The report for a fiscal year shall include—

(A) with respect to any commercial item exception granted in the case of a contract, subcontract, or contract or subcontract modification that is expected to have a price of $15,000,000 or more, an explanation of the basis for the determination that the products or services to be purchased are commercial items, including an identification of the specific steps taken to ensure price reasonableness; and

(B) with respect to any exceptional case exception or waiver granted in the case of a contract or subcontract that is expected to have a value of $15,000,000 or more, an explanation of the basis for the determination described in subsection (b), including an identification of the specific steps taken to ensure that the price was fair and reasonable.

(e) DEFINITIONS.—In this section:

(1) The term "exceptional case exception or waiver" means either of the following:

(A) An exception pursuant to section 2306a(b)(1)(C) of title 10, United States Code, relating to submission of certified cost and pricing data.

(B) A waiver pursuant to section 26(f)(5)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)(5)(B)), relating to the applicability of cost accounting standards to contracts and subcontracts.

(2) The term "commercial item exception" means an exception pursuant to section 2306a(b)(1)(B) of title 10, United States Code, relating to submission of certified cost and pricing data.

SEC. 818. TIMING OF CERTIFICATION IN CONNECTION WITH WAIVER OF SURVIVABILITY AND LETHALITY TESTING REQUIREMENTS.

(a) CERTIFICATION FOR EXPEDITED PROGRAMS.—Paragraph (1) of subsection (c) of section 2366 of title 10, United States Code, is amended to read as follows:

"(1) The Secretary of Defense may waive the application of the survivability and lethality tests of this section to a covered system, munitions program, missile program, or covered product improvement program if the Secretary determines that live-fire testing of such system or program would be unreasonably expensive and impractical and submits a certification of that determination to Congress—

"(A) before Milestone B approval for the system or program; or

"(B) in the case of a system or program initiated at—

"(i) Milestone B, as soon as is practicable after the Milestone B approval; or

"(ii) Milestone C, as soon as is practicable after the Milestone C approval.".

(b) DEFINITIONS.—Subsection (e) of such section is amended by adding at the end the following new paragraphs:

"(8) 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) 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.".

SEC. 819. CONTRACTING WITH FEDERAL PRISON INDUSTRIES.

(a) ASSURANCE OF BEST VALUE FOR NATIONAL DEFENSE.—(1) Section 2410n of title 10, United States Code, is amended—

(A) in subsection (a)—

(i) by amending the heading to read as follows: "MARKET RESEARCH.—"; and

(ii) by striking "comparable in price, quality, and time of delivery to products available from the private sector" and inserting "comparable to products available from the private sector that best meet the Department's needs in terms of price, quality, and time of delivery";

(B) by striking subsection (b) and inserting the following:

"(b) COMPETITION REQUIREMENT.—If the Secretary determines that a Federal Prison Industries product is not comparable in price, quality, or time of delivery to products available from the private sector that best meet the Department's needs in terms of price, quality, and time of delivery, the Secretary shall use competitive procedures for the procurement of the product or shall make an individual purchase under a multiple award contract. In conducting such a compeititon or making such a purchase, the Secretary shall consider a timely offer from Federal Prison Industries."; and

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

"(c) IMPLEMENTATION BY SECRETARY OF DEFENSE.—The Secretary of Defense shall ensure that—

"(1) the Department of Defense does not purchase a Federal Prison Industries product or service unless a contracting officer of the Department determines that the product or service is comparable to products or services available from the private sector that best meet the Department's needs in terms of price, quality, and time of delivery; and

"(2) Federal Prison Industries performs its contractual obligations to the same extent as any other contractor for the Department of Defense.

"(d) MARKET RESEARCH DETERMINATION NOT SUBJECT TO REVIEW.—A determination by a contracting officer regarding whether a product or service offered by Federal Prison Industries is comparable to products or services available from the private sector that best meet the Department's needs in terms of price, quality, and time of delivery shall not be subject to review pursuant to section 4124(b) of title 18.

"(e) PERFORMANCE AS A SUBCONTRACTOR.—(1) A contractor or potential contractor of the Department of Defense may not be required to use Federal Prison Industries as a subcontractor or supplier of products or provider of services for the performance of a Department of Defense contract by any means, including means such as—

"(A) a contract solicitation provision requiring a contractor to offer to make use of products or services of Federal Prison Industries in the performance of the contract;

"(B) a contract specification requiring the contractor to use specific products or services (or classes of products or services) offered by Federal Prison Industries in the performance of the contract; or

"(C) any contract modification directing the use of products or services of Federal Prison Industries in the performance of the contract.

"(2) In this subsection, the term 'contractor', with respect to a contract, includes a subcontractor at any tier under the contract.

"(f) PROTECTION OF CLASSIFIED AND SENSITIVE INFORMATION.—The Secretary of Defense may not enter into any contract with Federal Prison Industries under which an inmate worker would have access to—

"(1) any data that is classified;

"(2) any geographic data regarding the location of—

"(A) surface and subsurface infrastructure providing communications or water or electrical power distribution;

"(B) pipelines for the distribution of natural gas, bulk petroleum products, or other commodities; or

"(C) other utilities; or

"(3) any personal or financial information about any individual private citizen, including information relating to such person's real property however described, without the prior consent of the individual.

"(g) DEFINITIONS.—In this section:

"(1) The term 'competitive procedures' has the meaning given such term in section 2302(2) of this title.

"(2) The term 'market research' means obtaining specific information about the price, quality, and time of delivery of products available in the private sector through a variety of means, which may include—

"(A) contacting knowledgeable individuals in government and industry;

"(B) interactive communication among industry, acquisition personnel, and customers; and

"(C) interchange meetings or pre-solicitation conferences with potential offerors.".

(2) Paragraph (1) and the amendments made by such paragraph shall take effect as of October 1, 2001.

(b) REGULATORY IMPLEMENTATION.—(1) Proposed revisions to the Department of Defense Supplement to the Federal Acquisition Regulation to implement this section shall be published not later than 90 days after the date of the enactment of this Act, and not less than 60 days shall be provided for public comment on the proposed revisions.

(2) Final regulations shall be published not later than 180 days after the date of the enactment of this Act and shall be effective on the date that is 30 days after the date of the publication.

SEC. 820. REVISIONS TO MULTIYEAR CONTRACTING AUTHORITY.

(a) USE OF PROCUREMENT AND ADVANCE PROCUREMENT FUNDS.—Section 2306b(i) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4)(A) The Secretary of Defense may obligate funds for procurement of an end item under a multiyear contract for the purchase of property only for procurement of a complete and usable end item.

"(B) The Secretary of Defense may obligate funds appropriated for any fiscal year for advance procurement under a contract for the purchase of property only for the procurement of those long-lead items necessary in order to meet a planned delivery schedule for complete major end items that are programmed under the contract to be acquired with funds appropriated for a subsequent fiscal year (including an economic order quantity of such long-lead items when authorized by law).".

(b) EFFECTIVE DATE.—(1) Paragraph (4) of section 2306b(i) of title 10, United States Code, as added by subsection (a), shall not apply with respect to any contract awarded before the date of the enactment of this Act.

(2) Nothing in this section shall be construed to authorize the expenditure of funds under any contract awarded before the date of the enactment of this Act for any purpose other than the purpose for which such funds have been authorized and appropriated.

Subtitle C—Acquisition-Related Reports and Other Matters

SEC. 821. EVALUATION OF TRAINING, KNOWLEDGE, AND RESOURCES REGARDING NEGOTIATION OF INTELLECTUAL PROPERTY ARRANGEMENTS.

(a) AVAILABILITY OF TRAINING, KNOWLEDGE, AND RESOURCES.—The Secretary of Defense shall evaluate the training, knowledge, and resources needed by the Department of Defense in order to effectively negotiate intellectual property rights using the principles of the Defense Federal Acquisition Regulation Supplement and determine whether the Department of Defense currently has in place the training, knowledge, and resources available to meet those Departmental needs.

(b) REPORT.—Not later than February 1, 2003, the Secretary of Defense shall submit to Congress a report describing—

(1) the results of the evaluation performed under subsection (a);

(2) to the extent the Department does not have adequate training, knowledge, and resources available, actions to be taken to improve training and knowledge and to make resources available to meet the Department's needs; and

(3) the number of Department of Defense legal personnel trained in negotiating intellectual property arrangements.

SEC. 822. INDEPENDENT TECHNOLOGY READINESS ASSESSMENTS.

Section 804(b) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1180) is amended—

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

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

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

"(3) identify each case in which an authoritative decision has been made within the Department of Defense not to conduct an independent technology readiness assessment for a critical technology on a major defense acquisition program and explain the reasons for the decision.".

SEC. 823. EXTENSION AND AMENDMENT OF REQUIREMENT FOR ANNUAL REPORT ON DEFENSE COMMERCIAL PRICING MANAGEMENT IMPROVEMENT.

Section 803(c)(4) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2082; 10 U.S.C. 2306a note) is amended—

(1) by striking "2000, 2001, and 2002," and inserting "2000 through 2006,";

(2) by inserting after "were conducted" the following: "by the Secretary of each military department and the Director of the Defense Logistics Agency"; and

(3) by inserting after "actions taken" the following: "by each Secretary and the Director".

SEC. 824. ASSESSMENT OF PURCHASES OF PRODUCTS AND SERVICES THROUGH CONTRACTS WITH OTHER FEDERAL DEPARTMENTS AND AGENCIES.

(a) REQUIREMENT FOR ASSESSMENT.—The Secretary of Defense shall carry out an assessment of purchases by the Department of Defense of products and services through contracts entered into with other Federal departments and agencies.

(b) PERIOD COVERED BY ASSESSMENT.—The assessment required by subsection (a) shall cover purchases made during fiscal years 2000 through 2002.

(c) REPORT.—Not later than February 1, 2003, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the assessment conducted under subsection (a). The report shall include the following:

(1) The total amount paid by the Department of Defense as fees for the acquisition of such products and services.

(2) A determination of whether such total amount paid is excessive and should be reduced.

(3) A description of the benefits received by the Department as a result of purchasing such products and services through such contracts.

SEC. 825. REPEAL OF CERTAIN REQUIREMENTS AND COMPTROLLER GENERAL REVIEWS OF THE REQUIREMENTS.

(a) TERMINATION OF AUTHORITY TO TRANSFER FUNDS INTO DEFENSE MODERNIZATION ACCOUNT.—(1) Paragraph (1) of section 912(c) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 410; 10 U.S.C. 2216 note) is amended by striking "September 30, 2003" and inserting "September 30, 2002".

(2) Section 912(d) of such Act (110 Stat. 410; 10 U.S.C. 2216 note), relating to Comptroller General reviews of the administration of the Defense Modernization Account, is repealed.

(b) REPEAL OF SOLUTIONS-BASED CONTRACTING PILOT PROGRAM.—(1) Section 11522 of title 40, United States Code, is repealed.

(2)(A) Section 11501 of title 40, United States Code, is amended—

*(i) in the section heading, by striking "**PROGRAMS**" and inserting "**PROGRAM**";*

(ii) in subsection (a)(1), by striking "conduct pilot programs" and inserting "conduct a pilot program pursuant to the requirements of section 11521 of this title";

(iii) in subsection (a)(2), by striking "each pilot program" and inserting "the pilot program";

(iv) in subsection (b)—

(I) by striking "LIMITATIONS.—" and all that follows through "pilot programs conducted" and inserting the following: "LIMITATION ON AMOUNT.—The total amount obligated for contracts entered into under the pilot program conducted"; and

(II) by striking "paragraph." and inserting "subsection."; and

(v) in subsection (c)(1), by striking "a pilot" and inserting "the pilot".

(B) The following provisions of chapter 115 of such title are each amended by striking "a pilot" each place it appears and inserting "the pilot":

(i) Section 11502(a).

(ii) Section 11502(b).

(iii) Section 11503(a).

(iv) Section 11504.

(C) Section 11505 of such chapter is amended by striking "programs" and inserting "program".

*(3)(A) The chapter heading for chapter 115 of such title is amended by striking "**PROGRAMS**" and inserting "**PROGRAM**".*

(B) The subchapter heading for subchapter I and for subchapter II of such chapter are each amended by striking "PROGRAMS" and inserting "PROGRAM".

(C) The item relating to subchapter I in the table of sections at the beginning of such chapter is amended to read as follows:

"SUBCHAPTER I—CONDUCT OF PILOT PROGRAM".

(D) The item relating to subchapter II in the table of sections at the beginning of such chapter is amended to read as follows:

"SUBCHAPTER II—SPECIFIC PILOT PROGRAM".

(E) The item relating to section 11501 in the table of sections at the beginning of such is amended by striking "programs" and inserting "program".

(F) The table of sections at the beginning of such chapter is amended by striking the item relating to section 11522.

(G) The item relating to chapter 115 in the table of chapters for subtitle III of title 40, United States Code, is amended to read as follows:

"115. INFORMATION TECHNOLOGY ACQUISITION PILOT PROGRAM ...11501".

(c) REPEAL OF ON-LINE MULTIPLE AWARD SCHEDULE CONTRACTING REQUIREMENTS.—(1) Section 11701 of title 40, United States Code, is repealed.

(2) Sections 11702, 11703, and 11704 of such title are redesignated as sections 11701, 11702, and 11703, respectively.

(3) The table of sections for chapter 117 of such title is amended—

(A) by striking the item relating to section 11701; and

(B) by redesignating the items relating to sections 11702, 11703, and 11704 as sections 11701, 11702, and 11703, respectively.

SEC. 826. MULTIYEAR PROCUREMENT AUTHORITY FOR PURCHASE OF DINITROGEN TETROXIDE, HYDRAZINE, AND HYDRAZINE-RELATED PRODUCTS.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by inserting after section 2410n the following new section:

"§ 2410o. Multiyear procurement authority: purchase of dinitrogen tetroxide, hydrazine, and hydrazine-related products

"(a) TEN-YEAR CONTRACT PERIOD.—The Secretary of Defense may enter into a contract for a period of up to 10 years for the purchase of dinitrogen tetroxide, hydrazine, and hydrazine-related

products for the support of a United States national security program or a United States space program.

"(b) EXTENSIONS.—A contract entered into for more than one year under the authority of subsection (a) may be extended for a total of not more than 10 years pursuant to any option or options set forth in the contract.".

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

"2410o. Multiyear procurement authority: purchase of dinitrogen tetroxide, hydrazine, and hydrazine-related products.".

SEC. 827. MULTIYEAR PROCUREMENT AUTHORITY FOR ENVIRONMENTAL SERVICES FOR MILITARY INSTALLATIONS.

(a) AUTHORITY.—Subsection (b) of section 2306c of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) Environmental remediation services for—

"(A) an active military installation;

"(B) a military installation being closed or realigned under a base closure law; or

"(C) a site formerly used by the Department of Defense.".

(b) DEFINITIONS.—Such section, as amended by section 811, is further amended by adding at the end the following new subsection:

"(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' has the meaning given such term in section 2801(c)(2) of this title.".

SEC. 828. REPORT ON EFFECTS OF ARMY CONTRACTING AGENCY.

(a) IN GENERAL.—The Secretary of the Army shall submit a report on the effects of the establishment of an Army Contracting Agency on small business participation in Army procurements during the first year of operation of such an agency to—

(1) the Committee on Armed Services of the House of Representatives;

(2) the Committee on Armed Services of the Senate;

(3) the Committee on Small Business of the House of Representatives; and

(4) the Committee on Small Business and Entrepreneurship of the Senate.

(b) CONTENT.—The report required under subsection (a) shall include, in detail—

(1) the justification for the establishment of an Army Contracting Agency;

(2) the impact of the creation of an Army Contracting Agency on—

(A) Army compliance with—

(i) Department of Defense Directive 4205.1;

(ii) section 15(g) of the Small Business Act (15 U.S.C. 644(g)); and

(iii) section 15(k) of the Small Business Act (15 U.S.C. 644(k)); and

(B) small business participation in Army procurement of products and services for affected Army installations, including—

(i) the impact on small businesses located near Army installations, including—

(I) the increase or decrease in the total value of Army prime contracting with local small businesses; and

(II) the opportunities for small business owners to meet and interact with Army procurement personnel; and

(ii) any change or projected change in the use of consolidated contracts and bundled contracts; and

(3) a description of the Army's plan to address any negative impact on small business participation in Army procurement, to the extent such impact is identified in the report.

(c) TIME FOR SUBMISSION.—The report under this section shall be submitted 15 months after the date of the establishment of the Army Contracting Agency.

SEC. 829. AUTHORIZATION TO TAKE ACTIONS TO CORRECT THE INDUSTRIAL RESOURCE SHORTFALL FOR RADIATION-HARDENED ELECTRONICS.

Notwithstanding the limitation in section 303(a)(6)(C) of the Defense Production Act of 1950 (50 U.S.C. App. 2093(a)(6)(C)), action or actions may be taken under section 303 of that Act to correct the industrial resource shortfall for radiation-hardened electronics, if such actions do not cause the aggregate outstanding amount of all such actions to exceed $106,000,000.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Duties and Functions of Department of Defense Officers

Sec. 901. Under Secretary of Defense for Intelligence.
Sec. 902. Reorganization of Office of Secretary of Defense for administration of duties relating to homeland defense and combating terrorism.

Subtitle B—Space Activities

Sec. 911. Oversight of acquisition for defense space programs.
Sec. 912. Report regarding assured access to space for the United States.

Subtitle C—Reports

Sec. 921. Report on establishment of United States Northern Command.
Sec. 922. Time for submittal of report on Quadrennial Defense Review.
Sec. 923. National defense mission of Coast Guard to be included in future Quadrennial Defense Reviews.
Sec. 924. Report on establishment of a Joint National Training Complex and joint opposing forces.

Subtitle D—Other Matters

Sec. 931. Authority to accept gifts for National Defense University.
Sec. 932. Western Hemisphere Institute for Security Cooperation.
Sec. 933. Conforming amendment to reflect disestablishment of Department of Defense Consequence Management Program Integration Office.
Sec. 934. Increase in number of Deputy Commandants of the Marine Corps.

Subtitle A—Duties and Functions of Department of Defense Officers

SEC. 901. UNDER SECRETARY OF DEFENSE FOR INTELLIGENCE.

(a) ESTABLISHMENT OF POSITION.—Chapter 4 of title 10, United States Code, is amended—

(1) by transferring section 137 within such chapter to appear after section 139 and redesignating that section as section 139a; and

(2) by inserting after section 136a the following new section 137:

"§ 137. Under Secretary of Defense for Intelligence

"(a) There is an Under Secretary of Defense for Intelligence, appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Intelligence shall perform such duties and exercise such powers as the Secretary of Defense may prescribe in the area of intelligence.

"(c) The Under Secretary of Defense for Intelligence takes precedence in the Department of Defense after the Under Secretary of Defense for Personnel and Readiness.".

(b) CONFORMING AMENDMENTS.—(1) Section 131(b) of such title is amended—

(A) by striking paragraphs (2) through (5) and inserting the following:

"(2) The Under Secretaries of Defense, as follows:

"(A) The Under Secretary of Defense for Acquisition, Technology, and Logistics.

"(B) The Under Secretary of Defense for Policy.

"(C) The Under Secretary of Defense (Comptroller).

"(D) The Under Secretary of Defense for Personnel and Readiness.

"(E) The Under Secretary of Defense for Intelligence."; and

(B) by redesignating paragraphs (6), (7), (8), (9), (10), and (11) as paragraphs (3), (4), (5), (6), (7), and (8), respectively.

(2) The table of sections at the beginning of chapter 4 of such title is amended—

(A) by striking the item relating to section 137 and inserting the following:

"137. Under Secretary of Defense for Intelligence.";

and

(B) by inserting after the item relating to section 139 the following new item:

"139a. Director of Defense Research and Engineering.".

(c) EXECUTIVE LEVEL III.—Section 5314 of title 5, United States Code, is amended by inserting after "Under Secretary of Defense for Personnel and Readiness." the following:

"Under Secretary of Defense for Intelligence.".

(d) RELATIONSHIP TO AUTHORITIES UNDER NATIONAL SECURITY ACT OF 1947.—Nothing in section 137 of title 10, United States Code, as added by subsection (a), shall supersede or modify the authorities of the Secretary of Defense and the Director of Central Intelligence as established by the National Security Act of 1947 (50 U.S.C. 401 et seq.).

(e) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the establishment of the position of Under Secretary of Defense for Intelligence. The report shall set forth the following:

(1) The mission prescribed for that Under Secretary.

(2) The organizational structure established for the office of that Under Secretary.

(3) The relationship of that Under Secretary with the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense for Policy.

(4) The relationship of that Under Secretary with each of the following intelligence components of the Department of Defense: the National Security Agency, the Defense Intelligence Agency, the National Imagery and Mapping Agency, and the National Reconnaissance Office.

(5) The mission of the position designated, as of the date of the enactment of this Act, as Assistant Secretary of Defense for Command, Control, Communications, and Intelligence and the relationship of that position to the Under Secretary of Defense for Intelligence.

SEC. 902. REORGANIZATION OF OFFICE OF SECRETARY OF DEFENSE FOR ADMINISTRATION OF DUTIES RELATING TO HOMELAND DEFENSE AND COMBATING TERRORISM.

(a) ASSISTANT SECRETARY OF DEFENSE FOR HOMELAND DEFENSE.—Section 138(b) of title 10, United States Code, is amended by inserting after paragraph (2) the following new paragraph:

"(3) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Homeland Defense. He shall have as his principal duty the overall supervision of the homeland defense activities of the Department of Defense.".

(b) TRANSFER TO UNDER SECRETARY OF DEFENSE FOR POLICY OF RESPONSIBILITY FOR COMBATING TERRORISM.—Section 134(b) of such title is amended by adding at the end the following new paragraph:

"(4) Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Policy shall have overall direction and supervision for policy, program planning and execution, and allocation and use of resources for the activities of the Department of Defense for combating terrorism.".

(c) CONFORMING AMENDMENT.—Section 138(b) of such title is amended by striking paragraph (6).

(d) REPEAL OF PREVIOUS CONTINGENT REDUCTION IN NUMBER OF ASSISTANT SECRETARIES OF DEFENSE.—Subsections (c) and (d) of section 901 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1194) are repealed.

Subtitle B—Space Activities

SEC. 911. OVERSIGHT OF ACQUISITION FOR DEFENSE SPACE PROGRAMS.

(a) IN GENERAL.—The Secretary of Defense shall provide for oversight of acquisition for defense space programs through appropriate organizations of the Office of the Secretary of Defense.

(b) REPORT ON OVERSIGHT.—(1) Not later than March 15, 2003, the Secretary of Defense shall submit to the congressional defense committees a detailed plan on how the Office of the Secretary of Defense shall provide oversight of acquisition for defense space programs.

(2) The plan shall set forth the following:

(A) The organizations in the Office of the Secretary of Defense, and the Joint Staff organizations, to be involved in oversight of acquisition for defense space programs.

(B) The process for the review of acquisition for defense space programs by the organizations specified under subparagraph (A).

(C) The process for the provision by such organizations of technical, programmatic, scheduling, and budgetary oversight of acquisition for defense space programs.

(D) The process for the development of independent cost estimates for acquisition for defense space programs, including the organization responsible for developing such cost estimates and when such cost estimates shall be required.

(E) The process by which the military departments, Defense Agencies, and organizations in the Office of the Secretary of Defense develop and coordinate the budgets for acquisition for defense space programs.

(F) The process for the resolution of conflicts among the Department of Defense elements referred to in subparagraphs (A) and (E) regarding acquisition for defense space programs.

(c) DEFENSE SPACE PROGRAM DEFINED.—In this section, the term "defense space program" means a program of the Department of Defense that—

(1) is included in the "virtual major force program" for space activities that was established by the Secretary of Defense and was to have been submitted with the 2003 fiscal year budget for the Department of Defense; or

(2) after the date of the enactment of this Act, is included in a virtual major force program for space categories or in a major force program for space activities established after such date.

SEC. 912. REPORT REGARDING ASSURED ACCESS TO SPACE FOR THE UNITED STATES.

(a) PLAN.—The Secretary of Defense shall—

(1) evaluate all options for sustaining the space launch industrial base of the United States; and

(2) develop an integrated, long-range, and adequately funded plan for assuring access to space by the United States.

(b) REPORT.—Not later than March 1, 2003, the Secretary of Defense shall submit to Congress a report on the plan developed under subsection (a)(2).

Subtitle C—Reports

SEC. 921. REPORT ON ESTABLISHMENT OF UNITED STATES NORTHERN COMMAND.

Not later than March 1, 2003, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report providing an implementation plan for the establishment of the United States Northern Command, which is established effective October 1, 2002. The report shall address the following:

(1) The required budget for standing-up and maintaining that command over the period of the future-years defense program.

(2) The rationale for the selection of Peterson Air Force Base, Colorado, as the headquarters of that command, the criteria used in the selection of Peterson Air Force Base, and the alternative locations considered for that headquarters.

(3) The required military and civilian personnel levels for the headquarters of that command and a specification of the combatant commands and other Department of Defense sources from which such headquarters personnel will be transferred, shown by the number of military and civilian personnel from each such command or other Department of Defense source.

(4) The organization of the command, a justification of any components of the command, and a review of organizations and units permanently assigned or tasked to the command.

(5) The relationship of that command (A) to the Office of Homeland Security, the Department of Homeland Security, the Homeland Security Council, and any other Federal coordinating entity, (B) to other Federal departments and agencies, and (C) to State and local law enforcement agencies.

(6) The relationship of that command with the National Guard Bureau, individual State National Guard Headquarters, and State and local officials the command may be called upon to provide support.

(7) The legal implications of members of the Armed Forces, including the National Guard in both Federal and State status, operating on United States territory pursuant to missions, operations, or activities of that command.

(8) The status of Department of Defense consultations—

(A) with Canada regarding Canada's role in, or relationship with, and any expansion of mission for, the North American Air Defense Command; and

(B) with Mexico regarding Mexico's role in, or relationship with, the United States Northern Command.

(9) The status of United States consultations with the North Atlantic Treaty Organization relating to the position of Supreme Allied Commander, Atlantic, and the new chain of command for that position.

(10) The effect of the creation of the United States Northern Command on the mission, budget, and resource levels of other combatant commands, particularly the United States Joint Forces Command.

SEC. 922. TIME FOR SUBMITTAL OF REPORT ON QUADRENNIAL DEFENSE REVIEW.

Section 118(d) of title 10, United States Code, is amended by striking "not later than September 30 of the year in which the review is conducted" in the second sentence and inserting "in the year following the year in which the review is conducted, but not later than the date on which the President submits the budget for the next fiscal year to Congress under section 1105(a) of title 31".

SEC. 923. NATIONAL DEFENSE MISSION OF COAST GUARD TO BE INCLUDED IN FUTURE QUADRENNIAL DEFENSE REVIEWS.

Section 118(d) of title 10, United States Code, is amended—

(1) by redesignating paragraph (14) as paragraph (15); and

(2) by inserting after paragraph (13) the following new paragraph:

"(14) The national defense mission of the Coast Guard.".

SEC. 924. REPORT ON ESTABLISHMENT OF A JOINT NATIONAL TRAINING COMPLEX AND JOINT OPPOSING FORCES.

(a) REPORT REQUIRED.—The commander of the United States Joint Forces Command shall submit to the Secretary of Defense a report that outlines a plan that would provide for the development and implementation of a joint national training concept together with the establishment of a joint training complex for supporting the implementation of that concept. Such a concept and complex—

(1) may include various training sites, mobile training ranges, public and private modeling and simulation centers, and appropriate joint opposing forces; and

(2) shall be capable of supporting field exercises and experimentation at the operational level of war across a broad spectrum of adversary capabilities.

(b) SUBMISSION OF REPORT.—Not later than six months after the date of the enactment of this Act, the Secretary shall submit the report under subsection (a), together with any comments that the Secretary considers appropriate and any comments that the Chairman of the Joint Chiefs of Staff considers appropriate, to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives. The report may be included in the next annual report submitted under section 485 of title 10, United States Code, after the date of the enactment of this Act or it may be submitted separately.

(c) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) An identification and description of the types of joint training and experimentation that would be conducted at such a joint national training complex, together with a description of how such training and experimentation would enhance accomplishment of the six critical operational goals for the Department of Defense specified at page 30 of the Quadrennial Defense Review Report of the Secretary of Defense issued on September 30, 2001.

(2) A discussion of how establishment of such a complex (including joint opposing forces) would promote innovation and transformation throughout the Department of Defense.

(3) A discussion of how results from training and experiments conducted at such a complex would be taken into consideration in the Department of Defense plans, programs, and

budgeting process and by appropriate decision making bodies within the Department of Defense.

(4) A methodology, framework, and options for selecting sites for such a complex, including consideration of current training facilities that would accommodate requirements among all the Armed Forces.

(5) Options for development as part of such a complex of a joint urban warfare training center that could also be used for homeland defense and consequence management training for Federal, State, and local training.

(6) Cost estimates and resource requirements to establish and maintain such a complex, including estimates of costs and resource requirements for the use of contract personnel for the performance of management, operational, and logistics activities for such a complex .

(7) An explanation of the relationship between and among such a complex and the Department of Defense Office of Transformation, the Joint Staff, the United States Joint Forces Command, the United States Northern Command, and each element of the major commands within the separate Armed Forces with responsibility for experimentation and training.

(8) A discussion of how implementation of a joint opposing force would be established, including the feasibility of using qualified contractors for the function of establishing and maintaining joint opposing forces and the role of foreign forces.

(9) A timeline for the establishment of such a complex and for such a complex to achieve (A) initial operational capability, and (B) full operational capability.

Subtitle D—Other Matters

SEC. 931. AUTHORITY TO ACCEPT GIFTS FOR NATIONAL DEFENSE UNIVERSITY.

(a) IN GENERAL.—Chapter 155 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2612. National Defense University: acceptance of gifts

"(a) The Secretary of Defense may accept, hold, administer, and spend any gift, including a gift from an international organization and a foreign gift or donation (as defined in section 2611(f) of this title), that is made on the condition that it be used in connection with the operation or administration of the National Defense University. The Secretary may pay all necessary expenses in connection with the acceptance of a gift under this subsection.

"(b) There is established in the Treasury a fund to be known as the 'National Defense University Gift Fund'. Gifts of money, and the proceeds of the sale of property, received under subsection (a) shall be deposited in the fund. The Secretary may disburse funds deposited under this subsection for the benefit or use of the National Defense University.

"(c) Subsection (c) of section 2601 of this title applies to property that is accepted under subsection (a) in the same manner that such subsection applies to property that is accepted under subsection (a) of that section.

"(d)(1) Upon request of the Secretary of Defense, the Secretary of the Treasury may—

"(A) retain money, securities, and the proceeds of the sale of securities, in the National Defense University Gift Fund; and

"(B) invest money and reinvest the proceeds of the sale of securities in that fund in securities of the United States or in securities guaranteed as to principal and interest by the United States.

"(2) The interest and profits accruing from those securities shall be deposited to the credit of the fund and may be disbursed as provided in subsection (b).

"(e) In this section:

"(1) the term 'gift' includes a devise of real property or a bequest of personal property and any gift of an interest in real property.

"(2) The term 'National Defense University' includes any school or other component of the National Defense University specified under section 2165(b) of this title.

"(f) The Secretary of Defense shall prescribe regulations to carry out this section.".

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

"2612. National Defense University: acceptance of gifts.".

SEC. 932. WESTERN HEMISPHERE INSTITUTE FOR SECURITY COOPERATION.

(a) AUTHORITY TO ACCEPT FOREIGN GIFTS AND DONATIONS.—Section 2166 of title 10, United States Code, is amended—

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

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

"(f) AUTHORITY TO ACCEPT FOREIGN GIFTS AND DONATIONS.—(1) The Secretary of Defense may, on behalf of the Institute, accept foreign gifts or donations in order to defray the costs of, or enhance the operation of, the Institute.

"(2) Funds received by the Secretary under paragraph (1) shall be credited to appropriations available for the Department of Defense for the Institute. Funds so credited shall be merged with the appropriations to which credited and shall be available for the Institute for the same purposes and same period as the appropriations with which merged.

"(3) The Secretary of Defense shall notify Congress if the total amount of money accepted under paragraph (1) exceeds $1,000,000 in any fiscal year. Any such notice shall list each of the contributors of such money and the amount of each contribution in such fiscal year.

"(4) For the purposes of this subsection, 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.".

(b) CONTENT OF ANNUAL REPORT TO CONGRESS.—Subsection (i) of such section, as redesignated by subsection (a)(1), is amended by

inserting after the first sentence the following: "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.".

SEC. 933. CONFORMING AMENDMENT TO REFLECT DISESTABLISHMENT OF DEPARTMENT OF DEFENSE CONSEQUENCE MANAGEMENT PROGRAM INTEGRATION OFFICE.

Section 12310(c)(3) of title 10, United States Code, is amended by striking "only—" and all that follows through "(B) while assigned" and inserting "only while assigned".

SEC. 934. INCREASE IN NUMBER OF DEPUTY COMMANDANTS OF THE MARINE CORPS.

Section 5045 of title 10, United States Code, is amended by striking "five" and inserting "six".

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. Transfer authority.
Sec. 1002. Authorization of supplemental appropriations for fiscal year 2002.
Sec. 1003. United States contribution to NATO common-funded budgets in fiscal year 2003.
Sec. 1004. Development and implementation of financial management enterprise architecture.
Sec. 1005. Accountable officials in the Department of Defense.
Sec. 1006. Uniform standards throughout Department of Defense for exposure of personnel to pecuniary liability for loss of Government property.
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Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2003 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of paragraph (1) may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by subsection (a) to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of subsection (a) shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

(e) INCREASE IN AMOUNT OF TRANSFER AUTHORITY AUTHORIZED FOR FY02.—Section 1001 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1201) is amended by striking "$2,000,000,000" and inserting "$2,500,000,000".

SEC. 1002. AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2002.

(a) DOD AUTHORIZATIONS.—Amounts authorized to be appropriated to the Department of Defense for fiscal year 2002 in the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization are increased (by a supplemental appropriation) or decreased (by a rescission), or both, or are increased by a transfer of funds, pursuant to chapter 3 or chapter 10 of title I of Public Law 107–206 (116 Stat. 835, 878).

(b) NNSA AUTHORIZATIONS.—Amounts authorized to be appropriated to the Department of Energy for fiscal year 2002 in the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization are increased (by a supplemental appropriation) or decreased (by a rescission), or both, or are increased by a transfer of funds, pursuant to chapter 5 of title I of Public Law 107–206 (116 Stat. 848).

(c) REPORT ON FISCAL YEAR 2002 TRANSFERS.—Not later than January 15, 2003, the Secretary of Defense shall submit to the congressional defense committees a report stating, for each transfer during fiscal year 2002 of an amount provided for the Department of Defense for that fiscal year through a so-called "transfer account", including the Defense Emergency Response Fund or any other similar account, the amount of the transfer, the appropriation account to which the transfer was made, and the specific purpose for which the transferred funds were used.

SEC. 1003. UNITED STATES CONTRIBUTION TO NATO COMMON-FUNDED BUDGETS IN FISCAL YEAR 2003.

(a) FISCAL YEAR 2003 LIMITATION.—The total amount contributed by the Secretary of Defense in fiscal year 2003 for the common-funded budgets of NATO may be any amount up to, but not in excess of, the amount specified in subsection (b) (rather than the maximum amount that would otherwise be applicable to those contributions under the fiscal year 1998 baseline limitation).

(b) TOTAL AMOUNT.—The amount of the limitation applicable under subsection (a) is the sum of the following:

(1) The amounts of unexpended balances, as of the end of fiscal year 2002, of funds appropriated for fiscal years before fiscal year 2003 for payments for those budgets.

(2) The amount specified in subsection (c)(1).

(3) The amount specified in subsection (c)(2).

(4) The total amount of the contributions authorized to be made under section 2501.

(c) AUTHORIZED AMOUNTS.—Amounts authorized to be appropriated by titles II and III of this Act are available for contributions for the common-funded budgets of NATO as follows:

(1) Of the amount provided in section 201(1), $750,000 for the Civil Budget.

(2) Of the amount provided in section 301(1), $205,623,000 for the Military Budget.

(d) DEFINITIONS.—For purposes of this section:

(1) COMMON-FUNDED BUDGETS OF NATO.—The term "common-funded budgets of NATO" means the Military Budget, the Security Investment Program, and the Civil Budget of the North Atlantic Treaty Organization (and any successor or additional account or program of NATO).

(2) FISCAL YEAR 1998 BASELINE LIMITATION.—The term "fiscal year 1998 baseline limitation" means the maximum annual amount of Department of Defense contributions for common-funded budgets of NATO that is set forth as the annual limitation in section 3(2)(C)(ii) of the resolution of the Senate giving the advice and consent of the Senate to the ratification of the Protocols to the North Atlantic Treaty of 1949 on the Accession of Poland, Hungary, and the Czech Republic (as defined in section 4(7) of that resolution), approved by the Senate on April 30, 1998.

SEC. 1004. DEVELOPMENT AND IMPLEMENTATION OF FINANCIAL MANAGEMENT ENTERPRISE ARCHITECTURE.

(a) REQUIREMENT FOR ENTERPRISE ARCHITECTURE AND FOR TRANSITION PLAN.—Not later than May 1, 2003, the Secretary of Defense shall develop—

(1) a financial management enterprise architecture for all budgetary, accounting, finance, enterprise resource planning, and mixed information systems of the Department of Defense; and

(2) a transition plan for implementing that financial management enterprise architecture.

(b) COMPOSITION OF ENTERPRISE ARCHITECTURE.—(1) The financial management enterprise architecture developed under subsection (a)(1) shall describe an information infrastructure that, at a minimum, would enable the Department of Defense to—

(A) comply with all Federal accounting, financial management, and reporting requirements;

(B) routinely produce timely, accurate, and reliable financial information for management purposes;

(C) integrate budget, accounting, and program information and systems; and

(D) provide for the systematic measurement of performance, including the ability to produce timely, relevant, and reliable cost information.

(2) That enterprise architecture shall also include policies, procedures, data standards, and system interface requirements that are to apply uniformly throughout the Department of Defense.

(c) COMPOSITION OF TRANSITION PLAN.—The transition plan developed under subsection (a)(2) shall include the following:

(1) The acquisition strategy for the enterprise architecture, including specific time-phased milestones, performance metrics, and financial and nonfinancial resource needs.

(2) A listing of the mission critical or mission essential operational and developmental financial and nonfinancial management systems of the Department of Defense, as defined by the Under Secretary of Defense (Comptroller), consistent with budget justification documentation, together with—

(A) the costs to operate and maintain each of those systems during fiscal year 2002; and

(B) the estimated cost to operate and maintain each of those systems during fiscal year 2003.

(3) A listing of the operational and developmental financial management systems of the Department of Defense as of the date of the enactment of this Act (known as "legacy systems") that will not be part of the objective financial and nonfinancial management system, together with the schedule for terminating those legacy systems that provides for reducing the use of those legacy systems in phases.

(d) CONDITIONS FOR OBLIGATION OF SIGNIFICANT AMOUNTS FOR FINANCIAL SYSTEM IMPROVEMENTS.—An amount in excess of $1,000,000 may be obligated for a defense financial system improvement only if the Under Secretary of Defense (Comptroller) makes a determination regarding that improvement as follows:

(1) Before the date of an approval specified in paragraph (2), a determination that the defense financial system improvement is necessary for either of the following reasons:

(A) To achieve a critical national security capability or address a critical requirement in an area such as safety or security.

(B) To prevent a significant adverse effect (in terms of a technical matter, cost, or schedule) on a project that is needed to achieve an essential capability, taking into consideration in the determination the alternative solutions for preventing the adverse effect.

(2) On and after the date of any approval by the Secretary of Defense of a financial management enterprise architecture and a transition plan that satisfy the requirements of this section, a determination that the defense financial system improvement is consistent with both the enterprise architecture and the transition plan.

(e) CONGRESSIONAL REPORTS.—Not later than March 15 of each year from 2004 through 2007, the Secretary of Defense shall submit to the congressional defense committees a report on the progress of the Department of Defense in implementing the enterprise architecture and transition plan required by this section. Each report shall include, at a minimum—

(1) a description of the actions taken during the preceding fiscal year to implement the enterprise architecture and transition plan (together with the estimated costs of such actions);

(2) an explanation of any action planned in the enterprise architecture and transition plan to be taken during the preceding fiscal year that was not taken during that fiscal year;

(3) a description of the actions taken and planned to be taken during the current fiscal year to implement the enterprise architecture and transition plan (together with the estimated costs of such actions); and

(4) a description of the actions taken and planned to be taken during the next fiscal year to implement the enterprise architecture and transition plan (together with the estimated costs of such actions).

(f) COMPTROLLER GENERAL REVIEW.—Not later than 60 days after the approval of an enterprise architecture and transition plan in accordance with the requirements of subsection (a), and not later than 60 days after the submission of an annual report required by

subsection (e), the Comptroller General shall submit to the congressional defense committees an assessment of the extent to which the actions taken by the Department comply with the requirements of this section.

(g) DEFINITIONS.—In this section:

(1) The term "defense financial system improvement" means the acquisition of a new budgetary, accounting, finance, enterprise resource planning, or mixed information system for the Department of Defense or a modification of an existing budgetary, accounting, finance, enterprise resource planning, or mixed information system of the Department of Defense. Such term does not include routine maintenance and operation of any such system.

(2) The term "mixed information system" means an information system that supports financial and non-financial functions of the Federal Government as defined in Office of Management and Budget Circular A–127 (Financial management Systems).

(h) REPEAL.—(1) Section 2222 of title 10, United States Code, is repealed. The table of sections at the beginning of chapter 131 of such title is amended by striking the item relating to such section.

(2) Section 185(d) of such title is amended by striking "has the meaning given that term in section 2222(c)(2) of this title" and inserting "means an automated or manual system from which information is derived for a financial management system or an accounting system".

SEC. 1005. ACCOUNTABLE OFFICIALS IN THE DEPARTMENT OF DEFENSE.

(a) ACCOUNTABLE OFFICIALS WITHIN THE DEPARTMENT OF DEFENSE.—Chapter 165 of title 10, United States Code, is amended by inserting after section 2773 the following new section:

"§ 2773a. Departmental accountable officials

"(a) DESIGNATION BY SECRETARY OF DEFENSE.—The Secretary of Defense may designate any civilian employee of the Department of Defense or member of the armed forces under the Secretary's jurisdiction who is described in subsection (b) as an employee or member who, in addition to any other potential accountability, may be held accountable through personal monetary liability for an illegal, improper, or incorrect payment made the Department of Defense described in subsection (c). Any such designation shall be in writing. Any employee or member who is so designated may be referred to as a 'departmental accountable official'.

"(b) COVERED EMPLOYEES AND MEMBERS.—An employee or member of the armed forces described in this subsection is an employee or member who—

"(1) is responsible in the performance of the employee's or member's duties for providing to a certifying official of the Department of Defense information, data, or services that are directly relied upon by the certifying official in the certification of vouchers for payment; and

"(2) is not otherwise accountable under subtitle III of title 31 or any other provision of law for payments made on the basis of such vouchers.

"(c) PECUNIARY LIABILITY.—(1) The Secretary of Defense may subject a departmental accountable official to pecuniary liability for an illegal, improper, or incorrect payment made by the Department of Defense if the Secretary determines that such payment—

"(A) resulted from information, data, or services that that official provided to a certifying official and upon which that certifying official directly relies in certifying the voucher supporting that payment; and

"(B) was the result of fault or negligence on the part of that departmental accountable official.

"(2) Pecuniary liability under this subsection shall apply in the same manner and to the same extent as applies to an official accountable under subtitle III of title 31.

"(3) Any pecuniary liability of a departmental accountable official under this subsection for a loss to the United States resulting from an illegal, improper, or incorrect payment is joint and several with that of any other officer or employee of the United States or member of the uniformed services who is pecuniarily liable for such loss.

"(d) CERTIFYING OFFICIAL DEFINED.—In this section, the term 'certifying official' means an employee who has the responsibilities specified in section 3528(a) of title 31.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2773 the following new item:

"2773a. Departmental accountable officials.".

SEC. 1006. UNIFORM STANDARDS THROUGHOUT DEPARTMENT OF DEFENSE FOR EXPOSURE OF PERSONNEL TO PECUNIARY LIABILITY FOR LOSS OF GOVERNMENT PROPERTY.

(a) EXTENSION OF ARMY AND AIR FORCE REPORT-OF-SURVEY PROCEDURES TO NAVY AND MARINE CORPS AND ALL DOD CIVILIAN EMPLOYEES.—(1) Chapter 165 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2787. Reports of survey

"(a) ACTION ON REPORTS OF SURVEY.—Under regulations prescribed pursuant to subsection (c), any officer of the Army, Navy, Air Force, or Marine Corps or any civilian employee of the Department of Defense designated in accordance with those regulations may act upon reports of surveys and vouchers pertaining to the loss, spoilage, unserviceability, unsuitability, or destruction of, or damage to, property of the United States under the control of the Department of Defense.

"(b) FINALITY OF ACTION.—(1) Action taken under subsection (a) is final except as provided in paragraph (2).

"(2) An action holding a person pecuniarily liable for loss, spoilage, destruction, or damage is not final until approved by a person designated to do so by the Secretary of a military department, commander of a combatant command, or Director of a Defense Agency, as the case may be, who has jurisdiction of the person held pecuniarily liable. The person designated to provide final approval shall be an officer of an armed force, or a civilian employee, under the jurisdiction of the official making the designation.

"(c) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section.".

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

"2787. Reports of survey.".

(b) EXTENSION TO MEMBERS OF NAVY AND MARINE CORPS OF PAY DEDUCTION AUTHORITY PERTAINING TO DAMAGE OR REPAIR OF ARMS AND EQUIPMENT.—Section 1007(e) of title 37, United States Code, is amended by striking "Army or the Air Force" and inserting "Army, Navy, Air Force, or Marine Corps".

(c) REPEAL OF SUPERSEDED PROVISIONS.—(1) Sections 4835 and 9835 of title 10, United States Code, are repealed.

(2) The tables of sections at the beginning of chapters 453 and 953 of such title are amended by striking the items relating to sections 4835 and 9835, respectively.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to the loss, spoilage, unserviceability, unsuitability, or destruction of, or damage to, property of the United States under the control of the Department of Defense occurring on or after the effective date of regulations prescribed pursuant to section 2787 of title 10, United States Code, as added by subsection (a).

SEC. 1007. IMPROVEMENTS IN PURCHASE CARD MANAGEMENT.

(a) PURCHASE CARD MANAGEMENT IMPROVEMENTS.—Section 2784 of title 10, United States Code, is amended—

(1) in subsection (a), by striking ", acting through the Under Secretary of Defense (Comptroller),"; and

(2) by adding at the end of subsection (b) the following:

"(7) That periodic reviews are performed to determine whether each purchase card holder has a need for the purchase card.

"(8) That the Inspector General of the Department of Defense, the Inspector General of the Army, the Naval Inspector General, and the Inspector General of the Air Force perform periodic audits to identify—

"(A) potentially fraudulent, improper, and abusive uses of purchase cards;

"(B) any patterns of improper card holder transactions, such as purchases of prohibited items; and

"(C) categories of purchases that should be made by means other than purchase cards in order to better aggregate purchases and obtain lower prices.

"(9) That appropriate training is provided to each purchase card holder and each official with responsibility for overseeing the use of purchase cards issued by the Department of Defense.

"(10) That the Department of Defense has specific policies regarding the number of purchase cards issued by various organizations and categories of organizations, the credit limits authorized for various categories of card holders, and categories of employees eligible to be issued purchase cards, and that those policies are designed to minimize the financial risk to the Federal Government of the issuance of the purchase cards and to ensure the integrity of purchase card holders.

"(c) PENALTIES FOR VIOLATIONS.—The regulations prescribed under subsection (a) shall—

"(1) provide for appropriate adverse personnel actions or other punishment to be imposed in cases in which employees of

the Department of Defense violate such regulations or are negligent or engage in misuse, abuse, or fraud with respect to a purchase card, including removal in appropriate cases; and

"(2) provide that a violation of such regulations by a person subject to chapter 47 of this title (the Uniform Code of Military Justice) is punishable as a violation of section 892 of this title (article 92 of the Uniform Code of Military Justice).".

(b) CONFORMING AND CLERICAL AMENDMENTS.—(1) Section 2784 of such title is further amended—

*(A) in the section heading, by striking "**credit**" and inserting "**purchase**";*

(B) in the heading of subsection (a), by striking "CREDIT" and inserting "PURCHASE"; and

(C) in subsection (a) and paragraphs (1) through (6) of subsection (b), by striking "credit" and inserting "purchase" each place it appears.

(2) The table of sections at the beginning of chapter 165 of such title is amended by striking the item relating to section 2784 and inserting the following:

"2784. Management of purchase cards.".

SEC. 1008. IMPROVEMENTS IN TRAVEL CARD MANAGEMENT.

(a) TRAVEL CARD MANAGEMENT IMPROVEMENTS.—Chapter 165 of title 10, United States Code, is amended by inserting after section 2784 the following new section:

"§ 2784a. Management of travel cards

"(a) DISBURSEMENT OF TRAVEL ALLOWANCES DIRECTLY TO CREDITORS.—(1) The Secretary of Defense may require that any part of a travel or transportation allowance of an employee of the Department of Defense or a member of the armed forces be disbursed directly to the issuer of a Defense travel card if the amount is disbursed to the issuer in payment of amounts of expenses of official travel that are charged by the employee or member on the Defense travel card.

"(2) For the purposes of this subsection, the travel and transportation allowances referred to in paragraph (1) are amounts to which an employee of the Department of Defense is entitled under section 5702 of title 5 or a member of the armed forces is entitled under section 404 of title 37.

"(b) OFFSETS FOR DELINQUENT TRAVEL CARD CHARGES.—(1) The Secretary of Defense may require that there be deducted and withheld from any basic pay payable to an employee of the Department of Defense or a member of the armed forces any amount that is owed by the employee or member to a creditor by reason of one or more charges of expenses of official travel of the employee or member on a Defense travel card issued by the creditor if the employee or member—

"(A) is delinquent in the payment of such amount under the terms of the contract under which the card is issued; and

"(B) does not dispute the amount of the delinquency.

"(2) The amount deducted and withheld from pay under paragraph (1) with respect to a debt owed a creditor as described in that paragraph shall be disbursed to the creditor to reduce the amount of the debt.

"(3) The amount of pay deducted and withheld from the pay owed to an employee or member with respect to a pay period under paragraph (1) may not exceed 15 percent of the disposable pay of the employee or member for that pay period, except that a higher amount may be deducted and withheld with the written consent of the employee or member.

"(4) The Secretary of Defense shall prescribe procedures for deducting and withholding amounts from pay under this subsection. The procedures shall be substantially equivalent to the procedures under section 3716 of title 31.

"(c) OFFSETS OF RETIRED PAY.—In the case of a former employee of the Department of Defense or a retired member of the armed forces who is receiving retired pay and who owes an amount to a creditor by reason of one or more charges on a Defense travel card that were made before the retirement of the employee or member, the Secretary may require amounts to be deducted and withheld from any retired pay of the former employee or retired member in the same manner and subject to the same conditions as the Secretary deducts and withholds amounts from basic pay payable to an employee or member under subsection (b).

"(d) DEFINITIONS.—In this section:

"(1) The term 'Defense travel card' means a charge or credit card that—

"(A) is issued to an employee of the Department of Defense or a member of the armed forces under a contract entered into by the Department of Defense with the issuer of the card; and

"(B) is to be used for charging expenses incurred by the employee or member in connection with official travel.

"(2) The term 'disposable pay', with respect to a pay period, means the amount equal to the excess of the amount of basic pay or retired pay, as the case may be, payable for the pay period over the total of the amounts deducted and withheld from such pay.

"(3) The term 'retired pay' means—

"(A) in the case of a former employee of the Department of Defense, any retirement benefit payable to that individual, out of the Civil Service Retirement and Disability Fund, based (in whole or in part) on service performed by such individual as a civilian employee of the Department of Defense; and

"(B) in the case of a retired member of the armed forces or member of the Fleet Reserve or Fleet Marine Corps Reserve, retired or retainer pay to which the member is entitled.

"(e) EXCLUSION OF COAST GUARD.—This section does not apply to the Coast Guard.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 165 of such title is amended by inserting after the item relating to section 2784 the following new item:

"2784a. Management of travel cards.".

SEC. 1009. CLEARANCE OF CERTAIN TRANSACTIONS RECORDED IN TREASURY SUSPENSE ACCOUNTS AND RESOLUTION OF CERTAIN CHECK ISSUANCE DISCREPANCIES.

(a) CLEARANCE OF CERTAIN SUSPENSE ACCOUNTS.—(1) In the case of any transaction that was entered into by or on behalf of the Department of Defense before March 1, 2001, that is recorded in the Department of Treasury Budget Clearing Account (Suspense) designated as account F3875, the Unavailable Check Cancellations and Overpayments Account (Suspense) designated as account F3880, or an Undistributed Intergovernmental Payments account designated as account F3885, and for which no appropriation for the Department of Defense has been identified—

(A) any undistributed collection credited to such account in such case shall be deposited to the miscellaneous receipts of the Treasury; and

(B) subject to paragraph (2), any undistributed disbursement recorded in such account in such case shall be canceled.

(2) An undistributed disbursement may not be canceled under paragraph (1)(B) until the Secretary of Defense has made a written determination that the appropriate official or officials of the Department of Defense have attempted without success to locate the documentation necessary to identify which appropriation should be charged with such disbursement and that further efforts to do so are not in the best interests of the United States.

(b) RESOLUTION OF CHECK ISSUANCE DISCREPANCIES.—(1) In the case of any check drawn on the Treasury that was issued by or on behalf of the Department of Defense before October 31, 1998, for which the Secretary of the Treasury has reported to the Department of Defense a discrepancy between the amount paid and the amount of the check as transmitted to the Department of Treasury, and for which no specific appropriation for the Department of Defense can be identified as being associated with the check, the discrepancy shall be canceled, subject to paragraph (2).

(2) A discrepancy may not be canceled under paragraph (1) until the Secretary of Defense has made a written determination that the appropriate official or officials of the Department of Defense have attempted without success to locate the documentation necessary to identify which appropriation should be charged with the amount of the check and that further efforts to do so are not in the best interests of the United States.

(c) CONSULTATION.—The Secretary of Defense shall consult the Secretary of the Treasury in the exercise of the authority granted by subsections (a) and (b).

(d) DURATION OF CANCELLATION AUTHORITY FOLLOWING DETERMINATION.—(1) A particular undistributed disbursement may not be canceled under paragraph (1)(B) of subsection (a) more than 30 days after the date of the written determination made by the Secretary of Defense under paragraph (2) of such subsection regarding that undistributed disbursement.

(2) A particular discrepancy may not be canceled under paragraph (1) of subsection (b) more than 30 days after the date of the written determination made by the Secretary of Defense under paragraph (2) of such subsection regarding that discrepancy.

(e) PROGRAM TERMINATION.—No authority may be exercised under this section after the date that is two years after the date of the enactment of this Act.

SEC. 1010. AUTHORIZATION OF FUNDS FOR BALLISTIC MISSILE DEFENSE PROGRAMS OR COMBATING TERRORISM PROGRAMS OF THE DEPARTMENT OF DEFENSE.

(a) AUTHORIZATION.—There is hereby authorized to be appropriated for fiscal year 2003 for the military functions of the Department of Defense, in addition to amounts authorized to be appropriated in titles I, II, and III, the amount of $814,300,000, to be available, in accordance with subsection (b), for the following purposes:

(1) Research, development, test, and evaluation for ballistic missile defense programs of the Missile Defense Agency of the Department of Defense.

(2) Activities of the Department of Defense for combating terrorism at home and abroad.

(b) ALLOCATION BY PRESIDENT.—(1) The amount authorized to be appropriated by subsection (a) shall be allocated between the purposes stated in paragraphs (1) and (2) of that subsection in such manner as may be determined by the President based upon the national security interests of the United States. The amount authorized in subsection (a) shall not be available for any other purpose.

(2) Upon an allocation of such amount by the President, the amount so allocated shall be transferred to the appropriate regular authorization account under this division in the same manner as provided in section 1001. Transfers under this paragraph shall not be counted for the purposes of section 1001(a)(2).

(3) Not later than 15 days after an allocation is made under this subsection, the Secretary of Defense shall submit to the congressional defense committees a report describing the President's allocation, the basis for the President's determination in making such allocation, and the Secretary's plan for the use by the Department of Defense of the funds made available pursuant to such allocation.

SEC. 1011. REDUCTION IN OVERALL AUTHORIZATION DUE TO INFLATION SAVINGS.

(a) REDUCTION.—The total amount authorized to be appropriated by titles I, II, and III is the amount equal to the sum of the individual authorizations in those titles reduced by $1,000,000,000.

(b) SOURCE OF SAVINGS.—Reductions required in order to comply with subsection (a) shall be derived from savings resulting from lower-than-expected inflation as a result of the midsession review of the budget conducted by the Office of Management and Budget.

(c) ALLOCATION OF REDUCTION.—The Secretary of Defense shall allocate the reduction required by subsection (a) among the accounts in titles I, II, and III to reflect the extent to which net inflation savings are available in those accounts.

Subtitle B—Naval Vessels and Shipyards

SEC. 1021. NUMBER OF NAVY COMBATANT SURFACE VESSELS IN ACTIVE AND RESERVE SERVICE.

(a) CONTINGENT REQUIREMENT FOR REPORT.—(1) If, on the date of the enactment of this Act, the number of combatant surface vessels of the Navy is less than 116, the Secretary of the Navy shall, not later than 90 days after such date, submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the size of the force of combatant surface vessels of the Navy.

The report shall include a risk assessment for a force of combatant surface vessels in the number as of the date of the enactment of this Act that is based on the same assumptions as were applied in the QDR 2001 combatant surface force risk assessment.

(2) The definitions in subsection (c) of section 7296 of title 10, United States Code, as added by subsection (b), apply to this subsection.

(b) NUMBER OF COMBATANT SURFACE VESSELS.—(1) Chapter 633 of title 10, United States Code, is amended by inserting after section 7295 the following new section:

"§ 7296. Combatant surface vessels: notice before reduction in number; preservation of surge capability

"(a) NOTICE-AND-WAIT BEFORE REDUCTIONS.—(1) A reduction described in paragraph (2) in the number of combatant surface vessels may only be carried out after—

"(A) the Secretary of the Navy submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a written notification of the proposed reduction; and

"(B) a period of 90 days has expired after the date on which such notification is received.

"(2) A reduction described in this paragraph in the number of combatant surface vessels is a reduction—

"(A) from 116, or a number greater than 116, to a number less than 116; or

"(B) from a number less than 116 to a lesser number.

"(3) Any notification under paragraph (1)(A) shall include the following:

"(A) The schedule for the proposed reduction.

"(B) The number of vessels that are to comprise the force of combatant surface vessels after the reduction.

"(C) A risk assessment for a force of combatant surface vessels of the number specified under subparagraph (B) 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.

"(c) DEFINITIONS.—In this section:

"(1) The term 'combatant surface vessels' means cruisers, destroyers, and frigates that are in active service in the Navy or in active reserve service in the Navy.

"(2) The term 'QDR 2001 combatant surface force risk assessment' means the risk assessment associated with a force of combatant surface vessels numbering 116 that is set forth in the report on the quadrennial defense review submitted to Congress on September 30, 2001, under section 118 of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7295 the following new item:

"7296. Combatant surface vessels: notice before reduction in number; preservation of surge capability.".

(c) EFFECTIVE DATE FOR 90–DAY WAITING PERIOD.—The provisions of subparagraph (B) of subsection (a)(1) of section 7296 of title 10, United States Code, as added by subsection (b)(1) of this section, shall apply only with respect to notifications submitted under subparagraph (A) of that subsection on or after January 15, 2003.

SEC. 1022. ANNUAL LONG-RANGE PLAN FOR THE CONSTRUCTION OF NAVAL VESSELS.

(a) ANNUAL NAVAL VESSEL CONSTRUCTION PLAN.—(1) Chapter 9 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 231. Budgeting for construction of naval vessels: annual plan and certification

"(a) ANNUAL NAVAL VESSEL CONSTRUCTION PLAN AND CERTIFICATION.—The Secretary of Defense shall include with the defense budget materials for a fiscal year—

"(1) a plan for the construction of combatant and support vessels for the Navy developed in accordance with this section; and

"(2) a certification by the Secretary that both the budget for that fiscal year and the future-years defense program submitted to Congress in relation to such budget under section 221 of this title provide for funding of the construction of naval vessels at a level that is sufficient for the procurement of the vessels provided for in the plan under paragraph (1) on the schedule provided in that plan.

"(b) ANNUAL NAVAL VESSEL CONSTRUCTION PLAN.—(1) The annual naval vessel construction plan developed for a fiscal year for purposes of subsection (a)(1) should be designed so that the naval vessel force provided for under that plan is capable of supporting the national security strategy of the United States as set forth in the most recent national security strategy report of the President under section 108 of the National Security Act of 1947 (50 U.S.C. 404a), except that, if at the time such plan is submitted with the defense budget materials for that fiscal year, a national security strategy report required under such section 108 has not been submitted to Congress as required by paragraph (2) or paragraph (3), if applicable, of subsection (a) of such section, then such annual plan should be designed so that the naval vessel force provided for under that plan is capable of supporting the ship force structure recommended in the report of the most recent Quadrennial Defense Review.

"(2) Each such naval vessel construction plan shall include the following:

"(A) A detailed program for the construction of combatant and support vessels for the Navy over the next 30 fiscal years.

"(B) A description of the necessary naval vessel force structure to meet the requirements of the national security strategy of the United States or the most recent Quadrennial Defense Review, whichever is applicable under paragraph (1).

"(C) The estimated levels of annual funding necessary to carry out the program, together with a discussion of the procurement strategies on which such estimated levels of annual funding are based.

"(c) ASSESSMENT WHEN VESSEL CONSTRUCTION BUDGET IS INSUFFICIENT TO MEET APPLICABLE REQUIREMENTS.—If the budget for a fiscal year provides for funding of the construction of naval vessels at a level that is not sufficient to sustain the naval vessel force structure specified in the naval vessel construction plan for that fiscal year under subsection (a), the Secretary shall include with the defense budget materials for that fiscal year an assessment that describes and discusses the risks associated with the reduced force structure of naval vessels that will result from funding naval vessel construction at such level. Such assessment shall be coordinated in advance with the commanders of the combatant commands.

"(d) DEFINITIONS.—In this section:

"(1) The term 'budget', with respect to a fiscal year, means the budget for that fiscal year that is submitted to Congress by the President under section 1105(a) of title 31.

"(2) The term 'defense budget materials', with respect to a fiscal year, means the materials submitted to Congress by the Secretary of Defense in support of the budget for that fiscal year.

"(3) The term 'Quadrennial Defense Review' means the review of the defense programs and policies of the United States that is carried out every four years under section 118 of this title.".

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

"231. Budgeting for construction of naval vessels: annual plan and certification.".

SEC. 1023. ASSESSMENT OF THE FEASIBILITY OF THE EXPEDITED EQUIPPING OF A NAVY SHIP WITH A VERSION OF THE 155-MILLIMETER ADVANCED GUN SYSTEM.

(a) FEASIBILITY ASSESSMENT REQUIRED.—(1) The Secretary of the Navy shall conduct an assessment of the feasibility of the expedited equipping of a Navy ship in active or inactive service with a version of the 155-millimeter Advanced Gun System that is being developed for the DD(X) next generation, multi-mission, land attack surface combatant vessel.

(2) The assessment shall include an analysis of—

(A) the actions required to achieve such equipping and the technical and programmatic risks associated with those actions;

(B) the plan, schedule, and funding required to achieve such equipping; and

(C) the effect (if any) that such equipping might have on the development program and schedule for the DD(X) vessel.

(b) EQUIPPING ON EXPEDITED SCHEDULE.—The schedule to be considered in the assessment under subsection (a) shall provide for equipping of a ship with a version of the 155-millimeter Advanced Gun System on an expedited schedule that is consistent with the achievement of safety of operation, but not later than October 1, 2006.

(c) REPORT REQUIRED.—The Secretary shall submit to the congressional defense committees a report on the results of the assessment under subsection (a). The report shall be submitted at the same time that the President submits the budget for fiscal year 2004 to Congress under section 1105(a) of title 31, United States Code.

SEC. 1024. REPORT ON INITIATIVES TO INCREASE OPERATIONAL DAYS OF NAVY SHIPS.

(a) REQUIREMENT FOR REPORT ON INITIATIVES.—(1) The Under Secretary of Defense for Acquisition, Technology, and Logistics 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 Department of Defense initiatives to increase the number of operational days of Navy ships as described in subsection (b).

(2) The report shall cover the ongoing Department of Defense initiatives as well as any potential initiatives that are under consideration within the Department of Defense.

(b) INITIATIVES WITHIN LIMITS OF EXISTING FLEET AND DEPLOYMENT POLICY.—In the report, the Under Secretary shall assess the feasibility and identify the projected effects of conducting initiatives that have the potential to increase the number of operational days of Navy ships available to the commanders-in-chief of the regional unified combatant commands without increasing the number of Navy ships and without increasing the routine lengths of deployments of Navy ships above six months.

(c) REQUIRED FOCUS AREAS.—The report shall address, at a minimum, the following focus areas:

(1) Assignment of additional ships, including submarines, to home ports closer to the areas of operation for the ships (known as "forward homeporting").

(2) Assignment of ships to remain in a forward area of operations, together with rotation of crews for each ship so assigned.

(3) Retention of ships for use until the end of the full service life, together with investment of the funds necessary to support retention to that extent.

(4) Prepositioning of additional ships with, under normal circumstances, small crews in a forward area of operations.

(d) SHIP MAINTENANCE.—The report shall include an assessment of how routine programmed ship maintenance would be accomplished for Navy ships that would remain in a forward area of operations.

(e) TIME FOR SUBMITTAL.—The report shall be submitted at the same time that the President submits the budget for fiscal year 2004 to Congress under section 1105(a) of title 31, United States Code.

SEC. 1025. SHIP COMBAT SYSTEM INDUSTRIAL BASE.

(a) REVIEW.—The Secretary of Defense shall conduct a review of the effect of the contract award announced on April 29, 2002, for the lead design agent for the DD(X) ship program on the industrial base for ship combat system development, including the industrial base for each of the following: ship systems integration, radar, electronic warfare, and launch systems.

(b) REPORT REQUIRED.—Not later than March 31, 2003, the Secretary shall submit to the congressional defense committees a report based on the review under subsection (a). The report shall include the following:

(1) The Secretary's assessment of the effect of the contract award referred to in that subsection on ship combat system development and on the associated industrial base.

(2) A description of any actions that the Secretary proposes to ensure future competition in the ship combat system development and industrial base.

SEC. 1026. SENSE OF CONGRESS CONCERNING AIRCRAFT CARRIER FORCE STRUCTURE.

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

(1) The aircraft carrier has been an integral component in Operation Enduring Freedom and in the homeland defense mission of Operation Noble Eagle beginning on September 11, 2001. The aircraft carriers that have participated in Operation Enduring Freedom, as of May 1, 2002, are the USS Enterprise (CVN–65), the USS Carl Vinson (CVN–70), the USS Kitty Hawk (CV–63), the USS Theodore Roosevelt (CVN–71), the USS John C. Stennis (CVN–74), and the USS John F. Kennedy (CV–67). The aircraft carriers that have participated in Operation Noble Eagle, as of May 1, 2002, are the USS George Washington (CVN–73), the USS John F. Kennedy (CV–67), and the USS John C. Stennis (CVN–74).

(2) Since 1945, the United States has built 172 bases overseas, of which only 24 are currently in use.

(3) The aircraft carrier provides an independent base of operations should no land base be available for aircraft, with carrier air wings providing the United States sea-based forward-deployed offensive strike capability.

(4) The aircraft carrier is an essential component of the Navy.

(5) The naval tactical aircraft modernization programs are proceeding on schedule.

(6) As established by the Navy, the United States requires the service of 15 aircraft carriers to completely fulfill all the naval commitments assigned to the Navy without gapping carrier presence.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the number of aircraft carriers of the Navy in active service should not be less than 12.

(c) OPERATION ENDURING FREEDOM AND OPERATION NOBLE EAGLE COMMENDATION.—Congress hereby commends the military and civilian personnel who have participated in Operation Enduring Freedom and Operation Noble Eagle.

SEC. 1027. CONVEYANCE, NAVY DRYDOCK, PORTLAND, OREGON.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may sell Navy Drydock No. YFD–69, located in Portland, Oregon, to Portland Shipyard, LLC, which is the current user of the drydock.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the purchaser agree to retain the drydock on Swan Island in Portland, Oregon, until at least September 30, 2007.

(c) CONSIDERATION.—As consideration for the conveyance of the drydock under subsection (a), the purchaser shall pay to the Secretary an amount equal to the fair market value of the drydock at the time of the conveyance, as determined by the Secretary.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the

conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

Subtitle C—Strategic Matters

SEC. 1031. STRATEGIC FORCE STRUCTURE PLAN FOR NUCLEAR WEAPONS AND DELIVERY SYSTEMS.

(a) PLAN REQUIRED.—The Secretary of Defense and the Secretary of Energy shall jointly prepare a plan for the United States strategic force structure for nuclear weapons and nuclear weapons delivery systems for the period of fiscal years from 2003 through 2012. The plan shall—

(1) define the range of missions assigned to strategic nuclear forces in the national defense strategy consistent with—

(A) the Quadrennial Defense Review dated September 30, 2001, under section 118 of title 10, United States Code;

(B) the Nuclear Posture Review dated December 2001 under section 1041 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–262); and

(C) other relevant planning documents;

(2) delineate a baseline strategic force structure for such weapons and systems over such period consistent with such Nuclear Posture Review;

(3) define sufficient force structure, force modernization and life extension plans, infrastructure, and other elements of the defense program of the United States associated with such weapons and systems that would be required to execute successfully the full range of missions defined under paragraph (1);

(4) identify the budget plan that would be required to provide sufficient resources to execute successfully the full range of missions using such force structure called for in that national defense strategy; and

(5)(A) evaluate options for achieving, prior to fiscal year 2012, a posture under which the United States maintains a number of operationally deployed nuclear warheads at a level of from 1,700 to 2,200 such warheads, as outlined in the Nuclear Posture Review referred to in paragraph (1)(B); and

(B) contain an assessment of the advantages and disadvantages of options for achieving such posture as early as 2007, including effects on cost, the dismantlement workforce, and any other affected matter.

(b) REPORT.—Not later than March 1, 2003, the Secretary of Defense and the Secretary of Energy shall submit a report on the plan to the congressional defense committees.

SEC. 1032. ANNUAL REPORT ON WEAPONS TO DEFEAT HARDENED AND DEEPLY BURIED TARGETS.

(a) ANNUAL REPORT.—Not later than April 1 of each year, the Secretary of Defense, the Secretary of Energy, and the Director of Central Intelligence shall jointly submit to the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a report on the research and development, procurement, and other activities undertaken during the preceding fiscal year by

the Department of Defense, the Department of Energy, and the intelligence community to develop weapons to defeat hardened and deeply buried targets.

(b) REPORT ELEMENTS.—The report for a fiscal year under subsection (a) shall—

(1) include a discussion of the integration and interoperability of the activities referred to in that subsection that were undertaken during that fiscal year, including a discussion of the relevance of such activities to applicable recommendations by the Chairman of the Joint Chiefs of Staff, assisted under section 181(b) of title 10, United States Code, by the Joint Requirements Oversight Council; and

(2) set forth separately a description of the activities referred to in that subsection, if any, that were undertaken during such fiscal year by each element of—

(A) the Department of Defense;

(B) the Department of Energy; and

(C) the intelligence community.

(c) DEFINITION.—In this section, the term "intelligence community" has the meaning given such term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

(d) TERMINATION.—No report is required under this section after the submission of the report that is due on April 1, 2007.

SEC. 1033. REPORT ON EFFECTS OF NUCLEAR EARTH-PENETRATOR WEAPON AND OTHER WEAPONS.

(a) NATIONAL ACADEMY OF SCIENCES STUDY.—The Secretary of Defense shall request the National Academy of Sciences to conduct a study and prepare a report on the following:

(1) The anticipated short-term effects and long-term effects of the use by the United States of a nuclear earth-penetrator weapon on the target area, including the effects on civilian populations in proximity to the target area at the time of or after such use and the effects on United States military personnel who after such use carry out operations or battle damage assessments in the target area.

(2) The anticipated short-term and long-term effects on civilian population in proximity to a target area—

(A) if a non-penetrating nuclear weapon is used to attack a hard or deeply-buried target; and

(B) if a conventional high-explosive weapon is used to attack an adversary's facilities for storage or production of weapons of mass destruction and, as a result of such attack, radioactive, nuclear, biological, or chemical weapons materials, agents, or other contaminants are released or spread into populated areas.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress the report under subsection (a), together with any comments the Secretary may consider appropriate on the report. The report shall be submitted in unclassified form to the maximum extent possible, with a classified annex if needed.

Subtitle D—Reports

SEC. 1041. REPEAL AND MODIFICATION OF VARIOUS REPORTING REQUIREMENTS APPLICABLE TO THE DEPARTMENT OF DEFENSE.

(a) PROVISIONS OF TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1)(A) Section 183 is repealed.

(B) The table of sections at the beginning of chapter 7 is amended by striking the item relating to section 183.

(2)(A) Section 230 is repealed.

(B) The table of sections at the beginning of chapter 9 is amended by striking the items relating to section 230.

(3) Section 526 is amended by striking subsection (c).

(4) Section 721(d) is amended—

(A) by striking paragraph (2); and

(B) by striking "(1)" before "If an officer".

(5) Section 1095(g) is amended—

(A) by striking paragraph (2); and

(B) by striking "(1)" after "(g)".

(6) Section 1798 is amended by striking subsection (d).

(7) Section 1799 is amended by striking subsection (d).

(8) Section 2220 is amended—

(A) by striking subsections (b) and (c);

(B) by striking "(1)" after "ESTABLISHMENT OF GOALS.—"; and

(C) by striking "(2) The" and inserting "(b) EVALUATION OF COST GOALS.—The".

(9) Section 2350a(g) is amended by striking paragraph (4).

(10) Section 2350f is amended by striking subsection (c).

(11) Section 2350k is amended by striking subsection (d).

(12) Section 2367(d) is amended by striking "EFFORT.—(1) In the" and all that follows through "(2) After the close of" and inserting "EFFORT.—After the close of".

(13) Section 2391 is amended by striking subsection (c).

(14) Section 2486(b)(12) is amended by striking ", except that" and all that follows and inserting the following: ", except that the Secretary shall notify Congress of any addition of, or change in, a merchandise category under this paragraph.".

(15) Section 2492 is amended by striking subsection (c) and inserting the following:

"(c) NOTIFICATION OF CONDITIONS NECESSITATING RESTRICTIONS.—The Secretary of Defense shall notify Congress of any change proposed or made to any of the host nation laws or any of the treaty obligations of the United States, and any changed conditions within host nations, if the change would necessitate the use of quantity or other restrictions on purchases in commissary and exchange stores located outside the United States.".

(16) Section 2537(a) is amended by striking "$100,000" and inserting "$10,000,000".

(17) Section 2611 is amended by striking subsection (e).

(18) Section 2667(d) is amended by striking paragraph (3).

(19) Section 4416 is amended by striking subsection (f).

(20) Section 5721(f) is amended—

(A) by striking paragraph (2); and

(B) by striking "(1)" after the subsection heading.

(b) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1995.—Section 553(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2772; 10 U.S.C. 4331 note) is amended by striking the last sentence.

(c) BALLISTIC MISSILE DEFENSE ACT OF 1995.—Section 234 of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104–106; 10 U.S.C. 2431 note) is amended by striking subsection (f).

SEC. 1042. REQUIREMENT THAT DEPARTMENT OF DEFENSE REPORTS TO CONGRESS BE ACCOMPANIED BY ELECTRONIC VERSION.

Section 480(a) of title 10, United States Code, is amended by striking "shall, upon request" and all that follows through "(or each" and inserting "shall provide to Congress (or".

SEC. 1043. ANNUAL REPORT ON THE CONDUCT OF MILITARY OPERATIONS CONDUCTED AS PART OF OPERATION ENDURING FREEDOM.

(a) REPORTS REQUIRED.—(1) The Secretary of Defense shall submit to the congressional committees specified in subsection (d) an annual report on the conduct of military operations conducted as part of Operation Enduring Freedom. The first report, which shall include a definition of the military operations carried out as part of Operation Enduring Freedom, shall be submitted not later than June 15, 2003. Subsequent reports shall be submitted not later than June 15 each year, and the final report shall be submitted not later than 180 days after the date (as determined by the Secretary of Defense) of the cessation of hostilities undertaken as part of Operation Enduring Freedom.

(2) Each report under this section shall be prepared in consultation with the Chairman of the Joint Chiefs of Staff, the commander of the United States Central Command, the Director of Central Intelligence, and such other officials as the Secretary considers appropriate.

(3) Each such report shall be submitted in both a classified form and an unclassified form, as necessary.

(b) SPECIAL MATTERS TO BE INCLUDED.—Each report under this section shall include the following:

(1) A discussion of the command, control, coordination, and support relationship between United States special operations forces and Central Intelligence Agency elements participating in Operation Enduring Freedom and any lessons learned from the joint conduct of operations by those forces and elements.

(2) Recommendations to improve operational readiness and effectiveness of these forces and elements.

(c) OTHER MATTERS TO BE INCLUDED.—Each report under this section shall include a discussion, with a particular emphasis on accomplishments and shortcomings, of the following matters with respect to Operation Enduring Freedom:

(1) The political and military objectives of the United States.

(2) The military strategy of the United States to achieve those political and military objectives.

(3) The concept of operations, including any new operational concepts, for the operation.

(4) The benefits and disadvantages of operating with local opposition forces.

(5) The benefits and disadvantages of operating in a coalition with the military forces of allied and friendly nations.

(6) The cooperation of nations in the region for overflight, basing, command and control, and logistic and other support.

(7) The conduct of relief operations both during and after the period of hostilities.

(8) The conduct of close air support (CAS), particularly with respect to the timeliness, efficiency, and effectiveness of such support.

(9) The use of unmanned aerial vehicles for intelligence, surveillance, reconnaissance, and combat support to operational forces.

(10) The use and performance of United States and coalition military equipment, weapon systems, and munitions.

(11) The effectiveness of reserve component forces, including their use and performance in the theater of operations.

(12) The importance and effectiveness of the International Security Assistance Force.

(13) The importance and effectiveness of United States civil affairs forces.

(14) The anticipated duration of the United States military presence in Afghanistan.

(15) The most critical lessons learned that could lead to long-term doctrinal, organizational, and technological changes.

(d) CONGRESSIONAL COMMITTEES.—The committees referred to in subsection (a)(1) are 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.

SEC. 1044. REPORT ON EFFORTS TO ENSURE ADEQUACY OF FIRE FIGHTING STAFFS AT MILITARY INSTALLATIONS.

Not later than May 31, 2003, the Secretary of Defense shall submit to Congress a report on the actions being undertaken to ensure that the fire fighting staffs at military installations are adequate under applicable Department of Defense regulations.

SEC. 1045. REPORT ON DESIGNATION OF CERTAIN LOUISIANA HIGHWAY AS DEFENSE ACCESS ROAD.

Not later than March 1, 2003, the Secretary of the Army shall submit to the congressional defense committees a report containing the results of a study on the advisability of designating Louisiana Highway 28 between Alexandria, Louisiana, and Leesville, Louisiana, a road providing access to the Joint Readiness Training Center, Louisiana, and to Fort Polk, Louisiana, as a defense access road for purposes of section 210 of title 23, United States Code.

Subtitle E—Extension of Expiring Authorities

SEC. 1051. EXTENSION OF AUTHORITY FOR SECRETARY OF DEFENSE TO SELL AIRCRAFT AND AIRCRAFT PARTS FOR USE IN RESPONDING TO OIL SPILLS.

(a) FOUR-YEAR EXTENSION.—Section 740 of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (Public Law 106–181; 114 Stat. 173; 10 U.S.C. 2576 note) is amended—

(1) in subsection (a)(1), by striking ", during the period beginning on the date of the enactment of this Act and ending September 30, 2002,"; and

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

"(i) EXPIRATION OF AUTHORITY.—The authority to sell aircraft and aircraft parts under this section expires on September 30, 2006.".

(b) ADDITIONAL REPORT.—Subsection (f) of such section is amended by striking "March 31, 2002" and inserting "March 31, 2006".

SEC. 1052. SIX-MONTH EXTENSION OF EXPIRING GOVERNMENTWIDE INFORMATION SECURITY REQUIREMENTS; CONTINUED APPLICABILITY OF EXPIRING GOVERNMENTWIDE INFORMATION SECURITY REQUIREMENTS TO THE DEPARTMENT OF DEFENSE.

(a) SIX-MONTH EXTENSION OF EXPIRING GOVERNMENTWIDE REQUIREMENTS.—Section 3536 of title 44, United States Code, is amended to read as follows:

"§ 3536. Expiration

"This subchapter shall not be in effect after May 31, 2003.".

(b) CONTINUED APPLICABILITY OF EXPIRING GOVERNMENTWIDE REQUIREMENTS TO DEPARTMENT OF DEFENSE.—(1) Chapter 131 of title 10, United States Code, is amended by inserting after section 2224 the following new section:

"§ 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.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2224 the following new item:

"2224a. Information security: continued applicability of expiring Governmentwide requirements to the Department of Defense.".

SEC. 1053. TWO-YEAR EXTENSION OF AUTHORITY OF THE SECRETARY OF DEFENSE TO ENGAGE IN COMMERCIAL ACTIVITIES AS SECURITY FOR INTELLIGENCE COLLECTION ACTIVITIES ABROAD.

Section 431(a) of title 10, United States Code, is amended by striking "December 31, 2002" and inserting "December 31, 2004".

Subtitle F—Other Matters

SEC. 1061. TIME FOR TRANSMITTAL OF ANNUAL DEFENSE AUTHORIZATION LEGISLATIVE PROPOSAL.

(a) IN GENERAL.—Chapter 2 of title 10, United States Code, is amended by inserting after section 113 the following new section:

"§ 113a. Transmission of annual defense authorization request

"(a) TIME FOR TRANSMITTAL.—The Secretary of Defense shall transmit to Congress the annual defense authorization request for a fiscal year during the first 30 days after the date on which the President transmits to Congress the budget for that fiscal year pursuant to section 1105 of title 31.

"(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) Authorizations of appropriations for that fiscal year, as required by section 114 of this title.

"(2) Personnel strengths for that fiscal year, as required by section 115 of this title.

"(3) 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.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 113 the following new item:

"113a. Transmission of annual defense authorization request.".

SEC. 1062. TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Section 153 is amended—

(A) by inserting "(a) PLANNING; ADVICE; POLICY FORMULATION.—" at the beginning of the text; and

(B) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(2) Section 624(d)(1) is amended by striking "subsection (d)(2)" in the second sentence and inserting "paragraph (2)".

(3) Section 661(b)(2) is amended by striking "the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002" and inserting "December 28, 2001,".

(4) Section 662(a)(2) is amended—

(A) in subparagraph (A), by striking "during the three-year period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002," and inserting "during the period beginning on December 28, 2001, and ending on December 27, 2004,"; and

(B) in subparagraph (B), by striking "after the end of the period specified in subparagraph (A)" and inserting "after December 27, 2004".

(5) Section 663(e)(2) is amended by striking "Armed Forces Staff College" and inserting "Joint Forces Staff College".

(6) Section 1451(c)(3) is amended by striking "section" before "clause".

(7) Section 2162(b)(2) is amended by striking "the date of the enactment of this paragraph" and inserting "December 28, 2001,".

(8) Section 2330(c) is amended by inserting a comma after "a task order".

(9) Section 2399(a)(2) is amended—

(A) in the matter preceding subparagraph (A), by striking "means—" and inserting "means a conventional weapons system that—"; and

(B) in subparagraph (A), by striking "a conventional weapons system that".

(10)(A) Section 2410h is transferred to the end of subchapter IV of chapter 87 and redesignated as section 1747.

(B) The item relating to that section in the table of sections at the beginning of chapter 141 is transferred to the end of the table of sections at the beginning of subchapter IV of chapter 87 and amended to reflect the redesignation made by subparagraph (A).

(11) Section 2676(a) is amended by inserting an open parenthesis before "41 U.S.C.".

(12) Section 2677 is amended by striking subsection (c).

(13) Section 2680(e) is amended by striking "the" after "the Committee on" the first place it appears.

(14) Section 2815(b) is amended by striking "for fiscal year 2003 and each fiscal year thereafter" and inserting "for any fiscal year".

(15) Section 2828(b)(2) is amended by inserting "time" after "from time to".

(16) Sections 3755, 6257, and 8755, as added by section 8143(c) of Public Law 107–248 (116 Stat. 1570), are amended by striking "the date of the enactment of this section" and inserting "October 23, 2002".

(b) TITLE 14, UNITED STATES CODE.—Title 14, United States Code, is amended as follows:

(1) Section 505, as added by section 8143(c)(4) of Public Law 107–248 (116 Stat. 1571), is amended by striking "the date of the enactment of this section" and inserting "October 23, 2002".

(2) Section 516(c) is amended by striking "his section" and inserting "this section".

(c) TITLE 37, UNITED STATES CODE.—Title 37, United States Code, is amended as follows:

(1) Section 302j(a) is amended by striking "subsection (c)" and inserting "subsection (d)".

(2) Section 324(b) is amended by striking "(1)" before "The Secretary".

(d) PUBLIC LAW 107–248.—Section 8118(a) of Public Law 107–248 (116 Stat. 1565) is amended by striking "subsection (i)" and inserting "subsection (j)".

(e) PUBLIC LAW 107–217.—Effective as if included therein as originally enacted, section 3(b) of Public Law 107–217 is amended—

(1) in paragraph (8) (116 Stat. 1295), by inserting "the second place it appears" before the semicolon; and

(2) in paragraph (34) (116 Stat. 1298), by striking "section 7545(a)" and inserting "section 7545(c)".

(f) PUBLIC LAW 107–107.—Effective as of December 28, 2001, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) is amended as follows:

(1) Section 602(a)(2) (115 Stat. 1132) is amended by striking "an" in the first quoted matter.

(2) Section 1212(a)(5) (115 Stat. 1249) is amended by inserting "in" after the paragraph designation.

(3) Section 1410(a)(3)(C) (115 Stat. 1266) by inserting "both places it appears" before "and inserting".

(4) Section 3007(d)(1)(C) (115 Stat. 1352) is amended by striking "2905(b)(7)(B)(iv)" and inserting "2905(b)(7)(C)(iv)".

(g) PUBLIC LAW 106–398.—Effective as of October 30, 2000, and as if included therein as enacted, the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398) is amended as follows:

(1) Section 577(b)(2) (114 Stat. 1654A–140) is amended by striking "Federal" in the quoted matter and inserting "Department of Defense".

(2) Section 612(c)(4)(B) (114 Stat. 1654A–150) is amended by striking the comma at the end of the first quoted matter.

(h) PUBLIC LAW 106–246.—Section 136 of Public Law 106–246 (114 Stat. 520) is amended—

(1) in subsection (d)(7), by striking subparagraphs (B) and (C) and inserting the following new subparagraphs:

"(B) Section 1302 of title 40, United States Code.

"(C) Subtitle I of title 40, United States Code."; and

(2) in subsection (e)(3), by striking subparagraph (B) and inserting the following new subparagraph:

"(B) Subtitle I of title 40, United States Code.".

(i) PUBLIC LAW 106–181.—Section 740(a)(1) of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (10 U.S.C. 2576 note) is amended by striking "section 202 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483)" and inserting "subchapter II of chapter 5 of title 40, United States Code,".

(j) PUBLIC LAW 106–65.—The National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) is amended as follows:

(1) Section 573(b) (10 U.S.C. 513 note) is amended by inserting a period at the end of paragraph (2).

(2) Section 1305(6) (22 U.S.C. 5952 note) is amended by striking the first period after "facility".

(k) PUBLIC LAW 104–307.—Section 2(a)(1) of the Wildfire Suppression Aircraft Transfer Act of 1996 (10 U.S.C. 2576 note) is amended by striking "section 202 of the Federal Property and Ad-

ministrative Services Act of 1949 (40 U.S.C. 483)" and inserting "subchapter II of chapter 5 of title 40, United States Code,".

(l) PUBLIC LAW 103–337.—Section 2814 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337) is amended by striking "the Public Buildings Act of 1959 (40 U.S.C. 601 et seq.) and the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.)" and inserting "chapter 5 or 33 of title 40, United States Code".

(m) PUBLIC LAW 101–510.—The National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510) is amended as follows:

(1) Section 2905(b)(1) (10 U.S.C. 2687 note) is amended—

(A) in subparagraph (A), by striking "section 202 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483)" and inserting "subchapter II of chapter 5 of title 40, United States Code"; and

(B) in subparagraph (B), by striking "section 203 of that Act (40 U.S.C. 484)" and inserting "subchapter III of chapter 5 of title 40, United States Code".

(2) Section 2905(b)(4)(F) is amended by striking "sections 202 and 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483, 484)" and inserting "subchapters II and III of chapter 5 of title 40, United States Code,".

(3) Section 2905(b)(7) is amended by striking "section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k))" in subparagraphs (K)(v), (L)(iv)(V), and (P) and inserting "section 550 of title 40, United States Code,".

(4) Section 2926(d)(2) is amended by striking "title IX of the Federal Property and Administrative Services Act (Public Law 92–582; 40 U.S.C. 541 et seq., as amended)" and inserting "chapter 11 of title 40, United States Code".

(n) PUBLIC LAW 100–526.—The Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526) is amended as follows:

(1) Section 204(b)(1) (10 U.S.C. 2687 note) is amended—

(A) in subparagraph (A), by striking "section 202 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483)" and inserting "subchapter II of chapter 5 of title 40, United States Code"; and

(B) in subparagraph (B), by striking "section 203 of that Act (40 U.S.C. 484)" and inserting "subchapter III of chapter 5 of title 40, United States Code".

(2) Section 204(b)(4)(F) is amended by striking "sections 202 and 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483, 484)" and inserting "subchapters II and III of chapter 5 of title 40, United States Code,".

(o) OTHER LAWS.—(1) Section 502(a) of the National Emergencies Act (50 U.S.C. 1651(a)) is amended by striking paragraph (2) and redesignating paragraphs (3) through (7) as paragraphs (1) through (5), respectively.

(2) Section 10(b)(8) of the Military Selective Service Act (50 U.S.C. App. 460(b)(8)) is amended by striking "Public Law 26" and

all that follows through the period at the end of the paragraph and inserting "the Act of March 31, 1947 (50 U.S.C. App. 321 et seq.).".

(3) The Defense Production Act of 1950 is amended in both section 305(i) and section 306(j) (50 U.S.C. App. 2095(i), 2096(j))—

(A) in the first sentence, by striking "the Act entitled" and all that follows through the period at the end of the sentence and inserting "subchapter IV of chapter 31 of title 40, United States Code."; and

(B) in the last sentence, by striking "and section 276(c) of title 40".

SEC. 1063. USE FOR LAW ENFORCEMENT PURPOSES OF DNA SAMPLES MAINTAINED BY DEPARTMENT OF DEFENSE FOR IDENTIFICATION OF HUMAN REMAINS.

(a) IN GENERAL.—Chapter 80 of title 10, United States Code, is amended by inserting after section 1565 the following new section:

"§ 1565a. DNA samples maintained for identification of human remains: use for law enforcement purposes

"(a) COMPLIANCE WITH COURT ORDER.—(1) Subject to paragraph (2), if a valid order of a Federal court (or military judge) so requires, an element of the Department of Defense that maintains a repository of DNA samples for the purpose of identification of human remains shall make available, for the purpose specified in subsection (b), such DNA samples on such terms and conditions as such court (or military judge) directs.

"(2) A DNA sample with respect to an individual shall be provided under paragraph (1) in a manner that does not compromise the ability of the Department of Defense to maintain a sample with respect to that individual for the purpose of identification of human remains.

"(b) COVERED PURPOSE.—The purpose referred to in subsection (a) is the purpose of an investigation or prosecution of a felony, or any sexual offense, for which no other source of DNA information is reasonably available.

"(c) DEFINITION.—In this section, the term 'DNA sample' has the meaning given such term in section 1565(c) of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1565 the following new item:

"1565a. DNA samples maintained for identification of human remains: use for law enforcement purposes.".

SEC. 1064. ENHANCED AUTHORITY TO OBTAIN FOREIGN LANGUAGE SERVICES DURING PERIODS OF EMERGENCY.

(a) NATIONAL FOREIGN LANGUAGE SKILLS REGISTRY.—(1) Chapter 81 of title 10, United States Code, is amended by inserting after section 1596a the following new section:

"§ 1596b. Foreign language proficiency: National Foreign Language Skills Registry

"(a) ESTABLISHMENT.—(1) The Secretary of Defense may establish and maintain a registry of persons who—

"(A) have proficiency in one or more critical foreign languages;

"(B) are willing to provide linguistic services to the United States in the interests of national security during war or a national emergency; and

"(C) meet the eligibility requirements of subsection (b).

"(2) The registry shall be known as the 'National Foreign Language Skills Registry' (in this section referred to as the 'Registry').

"(b) ELIGIBLE PERSONS.—To be eligible for listing on the Registry, a person—

"(1) must be—

"(A) a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22))); or

"(B) an alien lawfully admitted for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)));

"(2) shall express willingness, in a form and manner prescribed by the Secretary—

"(A) to provide linguistic services for a foreign language as described in subsection (a); and

"(B) to be listed on the Registry; and

"(3) shall meet such language proficiency and other selection criteria as may be prescribed by the Secretary.

"(c) REGISTERED INFORMATION.—The Registry shall consist of the following:

"(1) The names of eligible persons selected by the Secretary for listing on the Registry.

"(2) Such other information on such persons as the Secretary determines pertinent to the use of such persons to provide linguistic services as described in subsection (a).

"(d) PROTECTION OF PRIVACY.—The Secretary may withhold from public disclosure the information maintained in the Registry in accordance with section 552a of title 5.

"(e) DESIGNATION OF CRITICAL FOREIGN LANGUAGES.—The Secretary shall designate those languages that are critical foreign languages for the purposes of this section. The Secretary shall make such a designation for any foreign language for which there is a shortage of experts in translation or interpretation available to meet requirements of the Secretary or of the head of any other department or agency of the United States for translation or interpretation in the national security interests of the United States.

"(f) LINGUISTIC SERVICES DEFINED.—In this section, the term 'linguistic services' means translation or interpretation of communication in a foreign language.".

(2) The table of sections at the beginning of such chapter is amended by inserting after section 1596a the following new item:

"1596b. Foreign language proficiency: National Foreign Language Skills Registry.".

(b) AUTHORITY TO ACCEPT VOLUNTARY TRANSLATION AND INTERPRETATION SERVICES.—Section 1588(a) of title 10, United States Code, is amended by adding after paragraph (6), as added by section 553, the following new paragraph:

"(7) Voluntary translation or interpretation services offered with respect to a foreign language by a person (A) who is registered for such foreign language on the National Foreign Language Skills Registry under section 1596b of this title, or (B)

who otherwise is approved to provide voluntary translation or interpretation services for national security purposes, as determined by the Secretary of Defense.".

SEC. 1065. REWARDS FOR ASSISTANCE IN COMBATING TERRORISM.

(a) AUTHORITY.—Chapter 3 of title 10, United States Code, is amended by inserting after section 127a the following new section:

"§ 127b. Assistance in combating terrorism: rewards

"(a) AUTHORITY.—The Secretary of Defense may pay a monetary amount, or provide a payment-in-kind, to a person as a reward for providing United States Government personnel with information or nonlethal assistance that is beneficial to—

"(1) an operation or activity of the armed forces conducted outside the United States against international terrorism; or

"(2) force protection of the armed forces.

"(b) LIMITATION.—The amount or value of a reward provided under this section may not exceed $200,000.

"(c) DELEGATION OF AUTHORITY.—(1) The authority of the Secretary of Defense under subsection (a) may be delegated only—

"(A) to the Deputy Secretary of Defense and an Under Secretary of Defense, without further redelegation; and

"(B) to the commander of a combatant command, but only for a reward in an amount or with a value not in excess of $50,000.

"(2) A commander of a combatant command to whom authority to provide rewards under this section is delegated under paragraph (1) may further delegate that authority, but only for a reward in an amount or with a value not in excess of $2,500, except that such a delegation may be made to the commander's deputy commander without vegard to such limitation.

"(d) COORDINATION.—(1) The Secretary of Defense shall prescribe policies and procedures for the offering and making of rewards under this section and otherwise for administering the authority under this section. Such polices and procedures shall be prescribed in consultation with the Secretary of State and the Attorney General and shall ensure that the making of a reward under this section does not duplicate or interfere with the payment of a reward authorized by the Secretary of State or the Attorney General.

"(2) The Secretary of Defense shall consult with the Secretary of State regarding the making of any reward under this section in an amount or with a value in excess of $100,000.

"(e) PERSONS NOT ELIGIBLE.—The following persons are not eligible to receive a reward under this section:

"(1) A citizen of the United States.

"(2) An officer or employee of the United States.

"(3) An employee of a contractor of the United States.

"(f) ANNUAL REPORT.—(1) Not later than December 1 of each year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the administration of the rewards program under this section during the preceding fiscal year.

"(2) Each report for a fiscal year under this subsection shall include the following:

"(A) Information on the total amount expended during that fiscal year to carry out the rewards program under this section during that fiscal year.

"(B) Specification of the amount, if any, expended during that fiscal year to publicize the availability of rewards under this section.

"(C) With respect to each reward provided during that fiscal year—

"(i) the amount or value of the reward and whether the reward was provided as a monetary payment or in some other form;

"(ii) the recipient of the reward; and

"(iii) a description of the information or assistance for which the reward was paid, together with an assessment of the significance and benefit of the information or assistance.

"(3) The Secretary may submit the report in classified form if the Secretary determines that it is necessary to do so.

"(g) DETERMINATIONS BY THE SECRETARY.—A determination by the Secretary under this section is final and conclusive and is not subject to judicial review.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 127a the following new item:

"127b. Assistance in combating terrorism: rewards.".

SEC. 1066. PROVISION OF SPACE AND SERVICES TO MILITARY WELFARE SOCIETIES.

(a) AUTHORITY TO PROVIDE SPACE AND SERVICES.—Chapter 152 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2566. Space and services: provision to military welfare societies

"(a) AUTHORITY TO PROVIDE SPACE AND SERVICES.—The Secretary of a military department may provide, without charge, space and services under the jurisdiction of that Secretary to a military welfare society.

"(b) DEFINITIONS.—In this section:

"(1) The term 'military welfare society' means the following:

"(A) The Army Emergency Relief Society.

"(B) The Navy-Marine Corps Relief Society.

"(C) The Air Force Aid Society, Inc.

"(2) The term 'services' includes lighting, heating, cooling, electricity, office furniture, office machines and equipment, telephone and other information technology services (including installation of lines and equipment, connectivity, and other associated services), and security systems (including installation and other associated expenses).".

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

"2566. Space and services: provision to military welfare societies.".

SEC. 1067. PREVENTION AND MITIGATION OF CORROSION OF MILITARY EQUIPMENT AND INFRASTRUCTURE.

(a) IN GENERAL.—(1) Chapter 131 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2228. Military equipment and infrastructure: prevention and mitigation of corrosion

"(a) DESIGNATION OF RESPONSIBLE OFFICIAL OR ORGANIZATION.—The Secretary of Defense shall designate an officer or employee of the Department of Defense, or a standing board or committee of the Department of Defense, as the senior official or organization responsible in the Department to the Secretary of Defense (after the Under Secretary of Defense for Acquisition, Technology, and Logistics) for the prevention and mitigation of corrosion of the military equipment and infrastructure of the Department.

"(b) DUTIES.—(1) The official or organization designated under subsection (a) shall oversee and coordinate efforts throughout the Department of Defense to prevent and mitigate corrosion of the military equipment and infrastructure of the Department. The duties under this paragraph shall include the duties specified in paragraphs (2) through (5).

"(2) The designated official or organization shall develop and recommend any policy guidance on the prevention and mitigation of corrosion to be issued by the Secretary of Defense.

"(3) The designated official or organization shall review the programs and funding levels proposed by the Secretary of each military department during the annual internal Department of Defense budget review process as those programs and funding proposals relate to programs and funding for the prevention and mitigation of corrosion and shall submit to the Secretary of Defense recommendations regarding those programs and proposed funding levels.

"(4) The designated official or organization shall provide oversight and coordination of the efforts within the Department of Defense to prevent or mitigate corrosion during—

"(A) the design, acquisition, and maintenance of military equipment; and

"(B) the design, construction, and maintenance of infrastructure.

"(5) The designated official or organization shall monitor acquisition practices within the Department of Defense—

"(A) to ensure that the use of corrosion prevention technologies and the application of corrosion prevention treatments are fully considered during research and development in the acquisition process; and

"(B) to ensure that, to the extent determined appropriate for each acquisition program, such technologies and treatments are incorporated into that program, particularly during the engineering and design phases of the acquisition process.

"(c) LONG-TERM STRATEGY.—(1) The Secretary of Defense shall develop and implement a long-term strategy to reduce corrosion and the effects of corrosion on the military equipment and infrastructure of the Department of Defense.

"(2) The strategy under paragraph (1) shall include the following:

"(A) Expansion of the emphasis on corrosion prevention and mitigation within the Department of Defense to include coverage of infrastructure.

"(B) Application uniformly throughout the Department of Defense of requirements and criteria for the testing and certification of new corrosion-prevention technologies for equipment and infrastructure with similar characteristics, similar missions, or similar operating environments.

"(C) Implementation of programs, including supporting databases, to ensure that a focused and coordinated approach is taken throughout the Department of Defense to collect, review, validate, and distribute information on proven methods and products that are relevant to the prevention of corrosion of military equipment and infrastructure.

"(D) Establishment of a coordinated research and development program for the prevention and mitigation of corrosion for new and existing military equipment and infrastructure that includes a plan to transition new corrosion prevention technologies into operational systems.

"(3) The strategy shall include, for the matters specified in paragraph (2), the following:

"(A) Policy guidance.

"(B) Performance measures and milestones.

"(C) An assessment of the necessary personnel and funding necessary to accomplish the long-term strategy.

"(d) DEFINITIONS.—In this section:

"(1) The term 'corrosion' means the deterioration of a material or its properties due to a reaction of that material with its chemical environment.

"(2) The term 'military equipment' includes all weapon systems, weapon platforms, vehicles, and munitions of the Department of Defense, and the components of such items.

"(3) The term 'infrastructure' includes all buildings, structures, airfields, port facilities, surface and subterranean utility systems, heating and cooling systems, fuel tanks, pavements, and bridges.".

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

"2228. Military equipment and infrastructure: prevention and mitigation of corrosion.".

(b) DEADLINE FOR DESIGNATION OF RESPONSIBLE OFFICIAL OR ORGANIZATION.—The Secretary of Defense shall designate an officer, employee, or standing board or committee of the Department of Defense under subsection (a) of section 2228 of title 10, United States Code, as added by subsection (a), not later than 90 days after the date of the enactment of this Act.

(c) INTERIM REPORT.—When the President submits the budget for fiscal year 2004 to Congress pursuant to section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to Congress a report regarding the actions taken to that date under section 2228 of title 10, United States Code, as added by subsection (a). That report shall include the following:

(1) A description of the organizational structure for the personnel carrying out the responsibilities of the official or organi-

zation designated under subsection (a) of that section with respect to the prevention and mitigation of corrosion.

(2) An outline for the long-term strategy for prevention and mitigation of corrosion required by subsection (c) of that section and milestones for development of that strategy.

(d) DEADLINE FOR LONG-TERM STRATEGY.—The Secretary of Defense shall submit to Congress a report setting forth the long-term strategy required under subsection (c) of section 2228 of title 10, United States Code, as added by subsection (a), not later than one year after the date of the enactment of this Act.

(e) GAO REVIEW.—The Comptroller General shall monitor the implementation of the long-term strategy required under subsection (c) of section 2228 of title 10, United States Code, as added by subsection (a), and, not later than 18 months after the date of the enactment of this Act, shall submit to Congress an assessment of the extent to which that strategy has been implemented.

SEC. 1068. TRANSFER OF HISTORIC DF–9E PANTHER AIRCRAFT TO WOMEN AIRFORCE SERVICE PILOTS MUSEUM.

(a) AUTHORITY TO CONVEY.—The Secretary of the Navy may convey, without consideration, to the Women Airforce Service Pilots Museum in Quartzsite, Arizona (in this section referred to as the "W.A.S.P. Museum"), all right, title, and interest of the United States in and to a DF–9E Panther aircraft (Bureau Number 125316). The conveyance shall be made by means of a conditional deed of gift.

(b) CONDITION OF AIRCRAFT.—The aircraft shall be conveyed under subsection (a) in its current unflyable, "as is" condition. The Secretary is not required to repair or alter the condition of the aircraft before conveying ownership of the aircraft.

(c) REVERTER UPON BREACH OF CONDITIONS.—The Secretary shall include in the instrument of conveyance of the aircraft under subsection (a) the following conditions:

(1) The W.A.S.P. Museum may not convey any ownership interest in, or transfer possession of, the aircraft to any other party without the prior approval of the Secretary.

(2) If the Secretary determines at any time that the W.A.S.P. Museum has conveyed an ownership interest in, or transferred possession of, the aircraft to any other party without the prior approval of the Secretary, all right, title, and interest in and to the aircraft, including any repair or alteration of the aircraft, shall revert to the United States, and the United States shall have the right of immediate possession of the aircraft.

(d) CONVEYANCE AT NO COST TO THE UNITED STATES.—The conveyance of the aircraft under subsection (a) shall be made at no cost to the United States. Any costs associated with the conveyance, costs of determining compliance with subsection (b), and costs of operation and maintenance of the aircraft conveyed shall be borne by the W.A.S.P. Museum.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with a conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 1069. INCREASE IN AMOUNT AUTHORIZED TO BE EXPENDED FOR DEPARTMENT OF DEFENSE PROGRAM TO COMMEMORATE 50TH ANNIVERSARY OF THE KOREAN WAR.

Section 1083(f)(2) of the National Defense Authorization Act for Fiscal Year 1998 (10 U.S.C. 113 note) is amended by striking "$7,000,000" and inserting "$10,000,000".

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

Sec. 1101. Eligibility of Department of Defense nonappropriated fund employees for long-term care insurance.
Sec. 1102. Extension of Department of Defense authority to make lump-sum severance payments.
Sec. 1103. Continuation of Federal Employee Health Benefits Program eligibility.
Sec. 1104. Certification for Department of Defense professional accounting positions.

SEC. 1101. ELIGIBILITY OF DEPARTMENT OF DEFENSE NONAPPROPRIATED FUND EMPLOYEES FOR LONG-TERM CARE INSURANCE.

(a) IN GENERAL.—Section 9001(1) of title 5, United States Code, is amended—

(1) in subparagraph (B), by striking "and";

(2) in subparagraph (C), by striking the comma at the end and inserting "; and"; and

(3) by inserting after subparagraph (C) the following new subparagraph:

"(D) an employee of a nonappropriated fund instrumentality of the Department of Defense described in section 2105(c),".

(b) DISCRETIONARY AUTHORITY.—Section 9002 of such title is amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively; and

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

"(b) DISCRETIONARY AUTHORITY REGARDING NONAPPROPRIATED FUND INSTRUMENTALITIES.—The Secretary of Defense may determine that a nonappropriated fund instrumentality of the Department of Defense is covered under this chapter or is covered under an alternative long-term care insurance program.".

SEC. 1102. EXTENSION OF DEPARTMENT OF DEFENSE AUTHORITY TO MAKE LUMP-SUM SEVERANCE PAYMENTS.

(a) IN GENERAL.—Section 5595(i)(4) of title 5, United States Code, is amended by striking "2003" and inserting "2006".

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the President shall submit to the Committees on Armed Services and on Governmental Affairs of the Senate and the Committees on Armed Services and on Government Reform of the House of Representatives a report, including recommendations, on whether the authority under section 5595(i) of title 5, United States Code, should be made permanent or expanded to be made Governmentwide.

SEC. 1103. CONTINUATION OF FEDERAL EMPLOYEE HEALTH BENEFITS PROGRAM ELIGIBILITY.

Paragraph (4)(B) of section 8905a(d) of title 5, United States Code, is amended—

(1) in clause (i), by striking "2003" and inserting "2006"; and

(2) in clause (ii)—

(A) by striking "2004" and inserting "2007"; and

(B) by striking "2003" and inserting "2006".

SEC. 1104. CERTIFICATION FOR DEPARTMENT OF DEFENSE PROFESSIONAL ACCOUNTING POSITIONS.

(a) IN GENERAL.—(1) Chapter 81 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1599d. Professional accounting positions: authority to prescribe certification and credential standards

"(a) AUTHORITY TO PRESCRIBE PROFESSIONAL CERTIFICATION STANDARDS.—The Secretary of Defense may prescribe professional certification and credential standards for professional accounting positions within the Department of Defense. Any such standard shall be prescribed as a Department of Defense regulation.

"(b) WAIVER AUTHORITY.—The Secretary may waive any standard prescribed under subsection (a) whenever the Secretary determines such a waiver to be appropriate.

"(c) APPLICABILITY.—A standard prescribed under subsection (a) shall not apply to any person employed by the Department of Defense before the standard is prescribed.

"(d) REPORT.—The Secretary of Defense shall submit to Congress a report on the Secretary's plans to provide training to appropriate Department of Defense personnel to meet any new professional and credential standards prescribed under subsection (a). Such report shall be prepared in conjunction with the Director of the Office of Personnel Management. Such a report shall be submitted not later than one year after the effective date of any regulations, or any revision to regulations, prescribed pursuant to subsection (a).

"(e) DEFINITION.—In this section, the term 'professional accounting position' means a position or group of positions in the GS–510, GS–511, and GS–505 series that involves professional accounting work.".

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

"1599d. Professional accounting positions: authority to prescribe certification and credential standards.".

(b) EFFECTIVE DATE.—Standards established pursuant to section 1599d of title 10, United States Code, as added by subsection (a), may take effect no sooner than 120 days after the date of the enactment of this Act.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

Sec. 1201. Authority to provide administrative services and support for coalition liaison officers.

Sec. 1202. Authority to pay for certain travel of defense personnel of countries participating in NATO Partnership for Peace program.
Sec. 1203. Limitation on funding for Joint Data Exchange Center in Moscow.
Sec. 1204. Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities.
Sec. 1205. Comprehensive annual report to Congress on coordination and integration of all United States nonproliferation activities.
Sec. 1206. Report requirement regarding Russian proliferation to Iran and other countries of proliferation concern.
Sec. 1207. Monitoring of implementation of 1979 agreement between the United States and China on cooperation in science and technology.
Sec. 1208. Extension of certain counterproliferation activities and programs.
Sec. 1209. Semiannual report by Director of Central Intelligence on contributions by foreign persons to efforts by countries of proliferation concern to obtain weapons of mass destruction and their delivery systems.
Sec. 1210. Report on feasibility and advisability of senior officer exchanges between the Armed Forces of the United States and the military forces of Taiwan.
Sec. 1211. Report on United States force structure in the Pacific.

SEC. 1201. AUTHORITY TO PROVIDE ADMINISTRATIVE SERVICES AND SUPPORT FOR COALITION LIAISON OFFICERS.

(a) AUTHORITY.—(1) Chapter 53 of title 10, United States Code, is amended by inserting after section 1051 the following new section:

"§ 1051a. Coalition liaison officers: administrative services and support; travel, subsistence, and other personal expenses

"(a) AUTHORITY.—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) 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), 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 subsection (a) and the expenses authorized by subsection (b) with or without reimbursement from (or on behalf of) the recipients.

"(d) DEFINITIONS.—In this section:

"(1) The term 'administrative services and support' includes base or installation support services, office space, utilities, copying services, fire and police protection, and computer support.

"(2) The term 'coalition' means an ad hoc arrangement between or among the United States and one or more other nations for common action.

"(e) EXPIRATION OF AUTHORITY.—The authority under this section shall expire on September 30, 2005.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1051 the following new item:

"1051a. Coalition liaison officers: administrative services and support; travel, subsistence, and other personal expenses.".

(b) GAO REPORT.—Not later than March 1, 2005, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report providing an assessment of the implementation of section 1051a of title 10, United States Code, as added by subsection (a). The assessment shall include the following:

(1) A description of the benefits to coalition operations of the authority provided by that section.

(2) A statement of the cost to the Department of Defense of the use of the authority provided by that section.

(3) A summary of activities carried out under the authority provided by that section, including (A) the number of liaison officers for whom administrative services and support or expenses were provided under that authority and their countries of origin, and (B) the type of services, support, and expenses provided.

SEC. 1202. AUTHORITY TO PAY FOR CERTAIN TRAVEL OF DEFENSE PERSONNEL OF COUNTRIES PARTICIPATING IN NATO PARTNERSHIP FOR PEACE PROGRAM.

(a) AUTHORITY FOR USE OF FUNDS.—Section 1051(b) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking "paragraph (2)" and inserting "paragraphs (2) and (3)";

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

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

"(3) In the case of defense personnel of a developing country that is not a member of the North Atlantic Treaty Organization and that is participating in the Partnership for Peace program of the North Atlantic Treaty Organization (NATO), expenses authorized to be paid under subsection (a) may be paid in connection with travel of personnel to the territory of any of the countries participating in the Partnership for Peace program or the territory of any NATO member country.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply only with respect to travel performed on or after the date of the enactment of this Act.

SEC. 1203. LIMITATION ON FUNDING FOR JOINT DATA EXCHANGE CENTER IN MOSCOW.

(a) LIMITATION.—Not more than 50 percent of the funds made available to the Department of Defense for fiscal year 2003 for activities associated with the Joint Data Exchange Center in Moscow, Russia, may be obligated or expended for any such activity until—

(1) the United States and the Russian Federation enter into a cost-sharing agreement as described in subsection (d) of section 1231 of the Floyd D. Spence National Defense Authoriza-

tion Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–329);

(2) the United States and the Russian Federation enter into an agreement or agreements exempting the United States and any United States person from Russian taxes, and from liability under Russian laws, with respect to activities associated with the Joint Data Exchange Center;

(3) the Secretary of Defense submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a copy of each agreement referred to in paragraphs (1) and (2); and

(4) a period of 30 days has expired after the date of the final submission under paragraph (3).

(b) JOINT DATA EXCHANGE CENTER.—For purposes of this section, the term "Joint Data Exchange Center" means the United States-Russian Federation joint center for the exchange of data to provide early warning of launches of ballistic missiles and for notification of such launches that is provided for in a joint United States-Russian Federation memorandum of agreement signed in Moscow in June 2000.

SEC. 1204. SUPPORT OF UNITED NATIONS-SPONSORED EFFORTS TO INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.

(a) LIMITATION ON AMOUNT OF ASSISTANCE IN FISCAL YEAR 2003.—The total amount of the assistance for fiscal year 2003 that is provided by the Secretary of Defense under section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) as activities of the Department of Defense in support of activities under that Act may not exceed $15,000,000.

(b) EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE.—Subsection (f) of section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) is amended by striking "2002" and inserting "2003".

SEC. 1205. COMPREHENSIVE ANNUAL REPORT TO CONGRESS ON COORDINATION AND INTEGRATION OF ALL UNITED STATES NONPROLIFERATION ACTIVITIES.

Section 1205 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1247) is amended by adding at the end the following new subsection:

"(d) ANNUAL REPORT ON IMPLEMENTATION OF PLAN.—(1) Not later than January 31, 2003, and each year thereafter, the President shall submit to Congress a report on the implementation of the plan required by subsection (a) during the preceding year.

"(2) Each report under paragraph (1) shall include—

"(A) a discussion of progress made during the year covered by such report in the matters of the plan required by subsection (a);

"(B) a discussion of consultations with foreign nations, and in particular the Russian Federation, during such year on joint programs to implement the plan;

"(C) a discussion of cooperation, coordination, and integration during such year in the implementation of the plan among the various departments and agencies of the United States Government, as well as private entities that share objectives similar to the objectives of the plan; and

"(D) any recommendations that the President considers appropriate regarding modifications to law or regulations, or to the administration or organization of any Federal department or agency, in order to improve the effectiveness of any programs carried out during such year in the implementation of the plan.".

SEC. 1206. REPORT REQUIREMENT REGARDING RUSSIAN PROLIFERATION TO IRAN AND OTHER COUNTRIES OF PROLIFERATION CONCERN.

(a) REPORT REQUIREMENT.—Not later than March 15 of 2003 through 2009, the President shall submit to Congress a report (in unclassified and classified form as necessary) describing in detail Russian proliferation of weapons of mass destruction and ballistic missile goods, technology, expertise, and information, and of dual-use items that may contribute to the development of weapons of mass destruction and ballistic missiles, to Iran and to other countries of proliferation concern during the year preceding the year in which the report is submitted. The report shall include a detailed description of the following, for the year covered by the report:

(1) The number, type, and quality of direct and dual-use weapons of mass destruction and ballistic missile goods, technology, expertise, and information transferred.

(2) The form, location, and manner in which such transfers took place.

(3) The contribution that such transfers could make to the recipient countries' weapons of mass destruction and ballistic missile programs, and an estimate of how soon such countries will test, possess, and deploy weapons of mass destruction and ballistic missiles.

(4) The impact and consequences that such transfers have, and could have over the next 10 years—

(A) on United States national security;

(B) on United States military forces deployed in the region to which such transfers are being made;

(C) on United States allies, friends, and interests in that region; and

(D) on the military capabilities of the country receiving such transfers from Russia.

(5) The policy and strategy that the President intends to employ to halt Russian proliferation, the policy tools that the President intends to use to carry out that policy and strategy, the rationale for employing such tools, and the timeline by which the President expects to see material progress in ending Russian proliferation of direct and dual-use weapons of mass destruction and missile goods, technology, expertise, and information.

(b) DEFINITION.—In this section, the term "country of proliferation concern" means any country identified by the Director of Central Intelligence as having engaged in the acquisition of dual-use and other technology useful for the development or production of weapons of mass destruction (including nuclear weapons, chemical weapons, and biological weapons) or advanced conventional munitions—

(1) in the most recent report under section 721 of the Combatting Proliferation of Weapons of Mass Destruction Act of 1996 (title VII of Public Law 104–293; 50 U.S.C. 2366); or

(2) in any successor report on the acquisition by foreign countries of dual-use and other technology useful for the development or production of weapons of mass destruction.

SEC. 1207. MONITORING OF IMPLEMENTATION OF 1979 AGREEMENT BETWEEN THE UNITED STATES AND CHINA ON COOPERATION IN SCIENCE AND TECHNOLOGY.

(a) IN GENERAL.—The Secretary of State shall—

(1) monitor the implementation of the Agreement specified in subsection (c);

(2) keep a systematic account of the protocols to the Agreement;

(3) coordinate the activities of all agencies of the United States Government that carry out cooperative activities under the Agreement; and

(4) ensure that all activities conducted under the Agreement comply with applicable laws and regulations concerning the transfer of militarily sensitive technologies and dual-use technologies.

(b) RESPONSIBILITIES OF THE OFFICE OF SCIENCE AND TECHNOLOGY COOPERATION.—Except as otherwise provided by the Secretary of State, the functions of the Secretary under this section shall be carried out through the Director of the Office of Science and Technology Cooperation of the Department of State.

(c) AGREEMENT DEFINED.—For purposes of this section, the term "Agreement" means the agreement between the United States and the People's Republic of China known as the "Agreement between the Government of the United States of America and the Government of the People's Republic of China on Cooperation in Science and Technology", signed in Washington on January 31, 1979, and its protocols.

(d) BIENNIAL REPORT TO CONGRESS.—(1) Not later than April 1 of each even-numbered year, the Secretary of State shall submit to Congress a report on the implementation of the Agreement and on activities under the Agreement. Each such report shall be submitted in both classified and unclassified form, as necessary.

(2) Each report under this subsection shall provide an evaluation of the benefits of the Agreement to the economy, to the military, and to the industrial base of the People's Republic of China and shall include the following:

(A) An accounting of all activities conducted under the Agreement since the previous report (or, in the case of the first report, since the Agreement was entered into) and a projection of activities to be undertaken under the Agreement during the next two years.

(B) An estimate of the costs to the United States to administer the Agreement during the period covered by the report.

(C) An assessment of how the Agreement has influenced the foreign and domestic policies of the People's Republic of China and the policy of the People's Republic of China toward scientific and technological cooperation with the United States.

(D) An analysis by the Director of Central Intelligence of the involvement of military specialists, weapons specialists, and

intelligence specialists of the People's Republic of China in the activities of the Joint Commission established under the Agreement and in other activities conducted under the Agreement.

(E) A determination by the Secretary of Defense, developed with the assistance of the Director of Central Intelligence, of the extent to which the activities conducted under the Agreement have enhanced the military and defense industrial base of the People's Republic of China, and an assessment of the effect that projected activities under the Agreement for the next two years, including the transfer of technology and know-how, could have on the economic and military capabilities of the People's Republic of China.

(F) An assessment by the Inspector General of the Department of Commerce of—

(i) the extent to which programs or activities carried out under the Agreement provide access to technology, information, or know-how that could enhance military capabilities of the People's Republic of China; and

(ii) the extent to which those programs or activities are carried out in compliance with export control laws and regulations of the United States, especially those laws and regulations governing so-called "deemed exports".

(G) Any recommendations of the Secretary of State, Secretary of Defense, or Director of Central Intelligence for improving the monitoring of the activities of the Joint Commission established under the Agreement.

(3) The Secretary of State shall prepare each report under this subsection in consultation with the Secretary of Defense, the Secretary of Energy, the Director of Central Intelligence, the Director of the Federal Bureau of Investigation, and the Director of the National Science Foundation.

(e) INTERAGENCY WORKING GROUP.—The President shall establish an interagency working group to oversee the implementation of the Agreement by departments and agencies of the United States. The working group shall consist of representatives of such departments, agencies, and offices of the executive branch as the President considers appropriate. The working group shall perform the following functions:

(1) Assisting the Secretary of State and other appropriate officials in setting standards under the Agreement for science and technology transfers between the United States and the People's Republic of China.

(2) Monitoring ongoing programs and activities under the Agreement and recommending future programs and activities under the Agreement.

(3) Developing a comprehensive database of all government-to-government programs and United States Government-funded programs under the Agreement.

(4) Coordinating activities under the Agreement between United States Government agencies, including elements of the intelligence community, as appropriate.

SEC. 1208. EXTENSION OF CERTAIN COUNTERPROLIFERATION ACTIVITIES AND PROGRAMS.

(a) EXTENSION OF INTERAGENCY COUNTERPROLIFERATION PROGRAM REVIEW COMMITTEE.—Section 1605(f) of the National Defense

Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751 note) is amended by striking "September 30, 2004" and inserting "September 30, 2008".

(b) LATER DEADLINE FOR SUBMISSION OF ANNUAL REPORT.—Subsection (a) of section 1503 of the National Defense Authorization Act for Fiscal Year 1995 (22 U.S.C. 2751 note) is amended by striking "February 1 of each year" and inserting "May 1 each year".

(c) ADDITIONAL MATTERS TO BE INCLUDED IN ANNUAL REPORT.—Subsection (b) of such section is amended by adding at the end the following new paragraph:

"(8) A discussion of the limitations and impediments to the biological weapons counterproliferation efforts of the Department of Defense (including legal, policy, and resource constraints) and recommendations for the removal or mitigation of such impediments and for ways to make such efforts more effective.".

(d) TECHNICAL AMENDMENT TO REFLECT CHANGE IN POSITION TITLE.—Section 1605(a)(4) of the National Defense Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751 note) is amended by striking "Under Secretary of Defense for Acquisition and Technology" in the first sentence and inserting "Under Secretary of Defense for Acquisition, Technology, and Logisitics".

SEC. 1209. SEMIANNUAL REPORT BY DIRECTOR OF CENTRAL INTELLIGENCE ON CONTRIBUTIONS BY FOREIGN PERSONS TO EFFORTS BY COUNTRIES OF PROLIFERATION CONCERN TO OBTAIN WEAPONS OF MASS DESTRUCTION AND THEIR DELIVERY SYSTEMS.

(a) CONTENT OF SEMIANNUAL REPORT.—The Combatting Proliferation of Weapons of Mass Destruction Act of 1996 (title VII of Public Law 104–293) is amended by inserting after section 721 (50 U.S.C. 2366) the following new section:

"SEC. 722. SEMIANNUAL REPORT ON CONTRIBUTIONS OF FOREIGN PERSONS TO WEAPONS OF MASS DESTRUCTION AND DELIVERY SYSTEMS EFFORTS OF COUNTRIES OF PROLIFERATION CONCERN.

"(a) REPORTS.—The Director of Central Intelligence shall submit to Congress a semiannual report identifying each foreign person that, during the period covered by the report, made a material contribution to the research, development, production, or acquisition by a country of proliferation concern of—

"(1) weapons of mass destruction (including nuclear weapons, chemical weapons, or biological weapons); or

"(2) ballistic or cruise missile systems.

"(b) PERIOD OF SEMIANNUAL REPORTS.—Semiannual reports under subsection (a) shall be submitted as follows:

"(1) One semiannual report shall cover the first six months of the calendar year and shall be submitted not later than January 1 of the following year.

"(2) The other semiannual report shall cover the second six months of the calendar year and shall be submitted not later than July 1 of the following year.

"(c) FORM OF REPORTS.—(1) A report under subsection (a) may be submitted in classified form, in whole or in part, if the Director of Central Intelligence determines that submittal in that form is advisable.

"(2) Any portion of a report under subsection (a) that is submitted in classified form shall be accompanied by an unclassified summary of such portion.

"(d) DEFINITIONS.—In this section:

"(1) The term 'foreign person' means any of the following:

"(A) A natural person who is not a citizen of the United States.

"(B) A corporation, business association, partnership, society, trust, or other nongovernmental entity, organization, or group that is organized under the laws of a foreign country or has its principal place of business in a foreign country.

"(C) Any foreign government or foreign governmental entity operating as a business enterprise or in any other capacity.

"(D) Any successor, subunit, or subsidiary of any entity described in subparagraph (B) or (C).

"(2) The term 'country of proliferation concern' means any country identified by the Director of Central Intelligence as having engaged in the acquisition of dual-use and other technology useful for the development or production of weapons of mass destruction (including nuclear weapons, chemical weapons, and biological weapons) or advanced conventional munitions—

"(A) in the most recent report under section 721; or

"(B) in any successor report on the acquisition by foreign countries of dual-use and other technology useful for the development or production of weapons of mass destruction.".

(b) EFFECTIVE DATE.—Section 722 of the Combatting Proliferation of Weapons of Mass Destruction Act of 1996, as added by subsection (a), shall take effect with the report with respect to the first six months of 2003 required to be submitted under that section not later than January 1, 2004.

SEC. 1210. REPORT ON FEASIBILITY AND ADVISABILITY OF SENIOR OFFICER EXCHANGES BETWEEN THE ARMED FORCES OF THE UNITED STATES AND THE MILITARY FORCES OF TAIWAN.

(a) PRESIDENTIAL REPORT.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to Congress a report on—

(1) the feasibility and advisability of conducting combined operational training with, and exchanges of general and flag officers between, the Armed Forces of the United States and the military forces of Taiwan; and

(2) the progress being made in meeting United States commitments to the security of Taiwan.

(b) CLASSIFICATION OF REPORT.—The report required by this section shall be submitted in unclassified form and, as necessary, in classified form.

SEC. 1211. REPORT ON UNITED STATES FORCE STRUCTURE IN THE PACIFIC.

(a) SECRETARY OF DEFENSE REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the plans of the Department of Defense to maintain adequate United States force structure in the Pacific, including any efforts (1) to augment current basing arrange-

ments, and (2) to implement the recommendations from the most recent Quadrennial Defense Review to improve United States military capabilities in the Pacific.

(b) CLASSIFICATION OF REPORT.—The report required by this section shall be submitted in unclassified form and, as necessary, in classified form.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

Sec. 1301. Specification of Cooperative Threat Reduction programs and funds.
Sec. 1302. Funding allocations.
Sec. 1303. Prohibition against use of funds until submission of reports.
Sec. 1304. Report on use of revenue generated by activities carried out under Cooperative Threat Reduction programs.
Sec. 1305. Prohibition against use of funds for second wing of fissile material storage facility.
Sec. 1306. Limited waiver of restrictions on use of funds for threat reduction in states of the former Soviet Union.

SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS AND FUNDS.

(a) SPECIFICATION OF CTR PROGRAMS.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in section 1501(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2731; 50 U.S.C. 2362 note).

(b) FISCAL YEAR 2003 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term "fiscal year 2003 Cooperative Threat Reduction funds" means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

(c) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

SEC. 1302. FUNDING ALLOCATIONS.

(a) FUNDING FOR SPECIFIC PURPOSES.—Of the $416,700,000 authorized to be appropriated to the Department of Defense for fiscal year 2003 in section 301(23) for Cooperative Threat Reduction programs, the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $70,500,000.

(2) For strategic nuclear arms elimination in Ukraine, $6,500,000.

(3) For nuclear weapons transportation security in Russia, $19,700,000.

(4) For nuclear weapons storage security in Russia, $40,000,000.

(5) For activities designated as Other Assessments/Administrative Support, $14,700,000.

(6) For defense and military contacts, $18,900,000.

(7) For weapons of mass destruction infrastructure elimination activities in Kazakhstan, $9,000,000.

(8) For weapons of mass destruction infrastructure elimination activities in Ukraine, $8,800,000.

(9) For chemical weapons destruction in Russia, $50,000,000.

(10) For biological weapons proliferation prevention in the former Soviet Union, $55,000,000.

(11) For weapons of mass destruction proliferation prevention in the States of the former Soviet Union, $40,000,000.

(b) ADDITIONAL FUNDS AUTHORIZED FOR CERTAIN PURPOSES.—Of the funds authorized to be appropriated to the Department of Defense for fiscal year 2003 in section 301(23) for Cooperative Threat Reduction programs, $83,600,000 may be obligated for any of the purposes specified in paragraphs (1) through (4) and (9) of subsection (a) in addition to the amounts specifically authorized in such paragraphs.

(c) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2003 Cooperative Threat Reduction funds may be obligated or expended for a purpose other than a purpose listed in paragraphs (1) through (11) of subsection (a) until 30 days after the date that the Secretary of Defense submits to Congress a report on the purpose for which the funds will be obligated or expended and the amount of funds to be obligated or expended. Nothing in the preceding sentence shall be construed as authorizing the obligation or expenditure of fiscal year 2003 Cooperative Threat Reduction funds for a purpose for which the obligation or expenditure of such funds is specifically prohibited under this title or any other provision of law.

(d) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) Subject to paragraphs (2) and (3), in any case in which the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may obligate amounts appropriated for fiscal year 2003 for a purpose listed in any of the paragraphs in subsection (a) in excess of the specific amount authorized for that purpose.

(2) An obligation of funds for a purpose stated in any of the paragraphs in subsection (a) in excess of the specific amount authorized for such purpose may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

(3) The Secretary may not, under the authority provided in paragraph (1), obligate amounts for a purpose stated in any of paragraphs (5) through (10) of subsection (a) in excess of 125 percent of the specific amount authorized for such purpose.

(4) In this section, the term "specific amount authorized" means, with respect to a purpose listed in any paragraph in subsection (a)—

(A) the amount specifically authorized for that purpose in subsection (a), plus

(B) in the case of a purpose listed in paragraph (1), (2), (3), (4), or (9) of subsection (a), any amount obligated under subsection (b) for that purpose.

SEC. 1303. PROHIBITION AGAINST USE OF FUNDS UNTIL SUBMISSION OF REPORTS.

Not more than 50 percent of fiscal year 2003 Cooperative Threat Reduction funds may be obligated or expended until 30 days after the date of the submission of—

(1) the report required to be submitted in fiscal year 2002 under section 1308(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–341); and

(2) the update for the multiyear plan required to be submitted for fiscal year 2001 under section 1205 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 22 U.S.C. 5952 note).

SEC. 1304. REPORT ON USE OF REVENUE GENERATED BY ACTIVITIES CARRIED OUT UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) ADDITIONAL REPORT REQUIREMENTS.—Section 1308(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–341) is amended by inserting at the end the following new paragraphs:

"(6) 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) 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) the amounts obligated or expended for such activities;

"(B) the purposes, goals, and objectives for which such amounts were obligated and expended;

"(C) a description of the activities carried out, including the forms of assistance provided, and the justification for each form of assistance provided;

"(D) the success of each activity, including the goals and objectives achieved for each;

"(E) a description of participation by private sector entities in the United States in carrying out such activities, and the participation of any other Federal department or agency in such activities; and

"(F) any other information that the Secretary considers relevant to provide a complete description of the operation and success of activities carried out under Cooperative Threat Reduction programs.".

(b) EFFECTIVE DATE.—Paragraphs (6) and (7) of section 1308(c) of such Act, as added by subsection (a), shall apply beginning with the report submitted under that section in 2004.

SEC. 1305. PROHIBITION AGAINST USE OF FUNDS FOR SECOND WING OF FISSILE MATERIAL STORAGE FACILITY.

No funds authorized to be appropriated for Cooperative Threat Reduction programs for any fiscal year may be used for the design, planning, or construction of a second wing for a storage facility for Russian fissile material.

SEC. 1306. LIMITED WAIVER OF RESTRICTIONS ON USE OF FUNDS FOR THREAT REDUCTION IN STATES OF THE FORMER SOVIET UNION.

(a) AUTHORITY TO WAIVE RESTRICTIONS AND ELIGIBILITY REQUIREMENTS.—If the President submits the certification and report described in subsection (b) with respect to an independent state of the former Soviet Union for a fiscal year—

(1) the restrictions in subsection (d) of section 1203 of the Cooperative Threat Reduction Act of 1993 (22 U.S.C. 5952) shall cease to apply, and funds may be obligated and expended under that section for assistance, to that state during that fiscal year; and

(2) funds may be obligated and expended during that fiscal year under section 502 of the FREEDOM Support Act (22 U.S.C. 5852) for assistance or other programs and activities for that state even if that state has not met one or more of the requirements for eligibility under paragraphs (1) through (4) of that section.

(b) CERTIFICATION AND REPORT.—(1) The certification and report referred to in subsection (a) are a written certification submitted by the President to Congress that the waiver of the restrictions and requirements described in paragraphs (1) and (2) of that subsection during such fiscal year is important to the national security interests of the United States, together with a report containing the following:

(A) A description of the activity or activities that prevent the President from certifying that the state is committed to the matters set forth in the provisions of law specified in paragraphs (1) and (2) of subsection (a) in such fiscal year.

(B) An explanation of why the waiver is important to the national security interests of the United States.

(C) A description of the strategy, plan, or policy of the President for promoting the commitment of the state to, and compliance by the state with, such matters, notwithstanding the waiver.

(2) The matter included in the report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(c) FISCAL YEARS COVERED.—The authority under subsection (a) shall apply only with respect to fiscal years 2003, 2004, and 2005.

(d) EXPIRATION OF AUTHORITY.—The authority under subsection (a) shall expire on September 30, 2005.

(e) ADMINISTRATION OF RESTRICTIONS ON ASSISTANCE.—Subsection (d) of section 1203 of the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160; 107 Stat. 1778; 22 U.S.C. 5952) is amended—

(1) by striking "any year" and inserting "any fiscal year"; and

(2) by striking "that year" and inserting "such fiscal year".

TITLE XIV—HOMELAND SECURITY

Sec. 1401. Transfer of technology items and equipment in support of homeland security.

Sec. 1402. Comprehensive plan for improving the preparedness of military installations for terrorist incidents.
Sec. 1403. Additional Weapons of Mass Destruction Civil Support Teams.
Sec. 1404. Report on the role of the Department of Defense in supporting homeland security.
Sec. 1405. Sense of Congress on Department of Defense assistance to local first responders.

SEC. 1401. TRANSFER OF TECHNOLOGY ITEMS AND EQUIPMENT IN SUPPORT OF HOMELAND SECURITY.

(a) RESPONSIBLE SENIOR OFFICIAL.—The Secretary of Defense shall designate a senior official of the Department of Defense to coordinate all Department of Defense efforts to identify, evaluate, deploy, and transfer to Federal, State, and local first responders technology items and equipment in support of homeland security.

(b) DUTIES.—The official designated pursuant to subsection (a) shall—

(1) identify technology items and equipment developed or being developed by Department of Defense components that have the potential to enhance public safety and improve homeland security;

(2) cooperate with appropriate Federal Government officials outside the Department of Defense to evaluate whether such technology items and equipment would be useful to first responders;

(3) facilitate the timely transfer, through identification of appropriate private sector manufacturers, of appropriate technology items and equipment to Federal, State, and local first responders, in coordination with appropriate Federal Government officials outside the Department of Defense;

(4) identify and eliminate redundant and unnecessary research efforts within the Department of Defense with respect to technologies to be deployed to first responders;

(5) expedite the advancement of high priority Department of Defense projects from research through implementation of initial manufacturing; and

(6) participate in outreach programs established by appropriate Federal Government officials outside the Department of Defense to communicate with first responders and to facilitate awareness of available technology items and equipment to support responses to crises.

(c) SUPPORT AGREEMENT.—The official designated pursuant to subsection (a) shall enter into an appropriate agreement with a nongovernment entity for such entity to assist the official designated under subsection (a) in carrying out that official's duties under this section. Any such agreement shall be entered into using competitive procedures in compliance with applicable requirements of law and regulation.

(d) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the actions taken to carry out this section. The report shall include the following:

(1) Identification of the senior official designated pursuant to subsection (a).

(2) A summary of the actions taken or planned to be taken to implement subsection (b), including a schedule for planned actions.

(3) An initial list of technology items and equipment identified pursuant to subsection (b)(1), together with a summary of any program schedule for the development, deployment, or transfer of such items and equipment.

(4) A description of any agreement entered into pursuant to subsection (c).

SEC. 1402. COMPREHENSIVE PLAN FOR IMPROVING THE PREPAREDNESS OF MILITARY INSTALLATIONS FOR TERRORIST INCIDENTS.

(a) COMPREHENSIVE PLAN.—The Secretary of Defense shall develop a comprehensive plan for improving the preparedness of military installations for preventing and responding to terrorist attacks, including attacks involving the use or threat of use of weapons of mass destruction.

(b) PREPAREDNESS STRATEGY.—The plan under subsection (a) shall include a preparedness strategy that includes each of the following:

(1) Identification of long-term goals and objectives for improving the preparedness of military installations for preventing and responding to terrorist attacks.

(2) Identification of budget and other resource requirements necessary to achieve those goals and objectives.

(3) Identification of factors beyond the control of the Secretary that could impede the achievement of those goals and objectives.

(4) A discussion of the extent to which local, regional, or national military response capabilities are to be developed, integrated, and used.

(5) A discussion of how the Secretary will coordinate the capabilities referred to in paragraph (4) with local, regional, or national civilian and other military capabilities.

(c) PERFORMANCE PLAN.—The plan under subsection (a) shall include a performance plan that includes each of the following:

(1) A reasonable schedule, with milestones, for achieving the goals and objectives of the strategy under subsection (b).

(2) Performance criteria for measuring progress in achieving those goals and objectives.

(3) A description of the process, together with a discussion of the resources, necessary to achieve those goals and objectives.

(4) A description of the process for evaluating results in achieving those goals and objectives.

(d) SUBMITTAL TO CONGRESS.—The Secretary shall submit the comprehensive plan developed under 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 180 days after the date of the enactment of this Act.

(e) COMPTROLLER GENERAL REVIEW AND REPORT.—Not later than 60 days after the date on which the Secretary submits the comprehensive plan under subsection (a), the Comptroller General shall review the plan and submit to the committees referred to in subsection (d) the Comptroller General's assessment of the plan.

(f) ANNUAL REPORT.—(1) In each of 2004, 2005, and 2006, the Secretary of Defense shall include a report on the comprehensive plan developed under subsection (a) with the materials that the Secretary submits to Congress in support of the budget submitted by

the President that year pursuant to section 1105(a) of title 31, United States Code.

(2) Each such report shall include—

(A) a discussion of any revision that the Secretary has made in the comprehensive plan developed under subsection (a) since the last report under this subsection or, in the case of the first such report, since the plan was submitted under subsection (d); and

(B) an assessment of the progress made in achieving the goals and objectives of the strategy set forth in the plan.

(3) If the Secretary includes in the report for 2004 or 2005 under this subsection a declaration that the goals and objectives of the preparedness strategy set forth in the comprehensive plan have been achieved, no further report is required under this subsection.

SEC. 1403. ADDITIONAL WEAPONS OF MASS DESTRUCTION CIVIL SUPPORT TEAMS.

(a) ESTABLISHMENT OF ADDITIONAL TEAMS.—The Secretary of Defense shall—

(1) establish 23 additional teams designated as Weapons of Mass Destruction Civil Support Teams, for a total of 55 such teams; and

(2) ensure that of such 55 teams, there is at least one team established in each State and territory.

(b) PLAN.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress a plan, in furtherance of subsection (a), for establishing at least one Weapons of Mass Destruction Civil Support Team in each State and territory that does not have such a team as of the date of the enactment of this Act. The plan shall include the following:

(1) A schedule and budget for manning, training, and equipping the new teams as rapidly as is possible without jeopardizing the attainment of full effectiveness by the new teams.

(2) A discussion of whether the mission of the Weapons of Mass Destruction Civil Support Teams should be expanded and, if so, how.

(c) DEFINITIONS.—For purposes of this section:

(1) 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, United States Code, in support of emergency preparedness programs to prepare for or to respond to any emergency involving the use of a weapon of mass destruction.

(2) The term "State and territory" means each of the several States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.

SEC. 1404. REPORT ON THE ROLE OF THE DEPARTMENT OF DEFENSE IN SUPPORTING HOMELAND SECURITY.

(a) REPORT REQUIRED.—Not later than March 1, 2003, the Secretary of Defense shall submit to the congressional defense committees a report on Department of Defense responsibilities, mission, and plans for military support of homeland security.

(b) CONTENTS OF REPORT.—The report shall include, at a minimum, a discussion of the following:

(1) The Department of Defense definition of its homeland security mission, particularly with respect to how it relates to

providing military support to civil authorities, managing the consequences of terrorist attacks, and homeland defense, and the actions the Department is taking to implement the homeland security mission as so defined.

(2) Changes in the roles, missions, responsibilities, organization, and capabilities of the following organizations in order to conduct their homeland security support mission, and the reasons for such changes:

(A) The Office of the Secretary of Defense.

(B) The Army, Navy, Air Force, and Marine Corps.

(C) The Army National Guard and the Air National Guard.

(D) The combatant commands of the Department of Defense.

(3) The relationship between the Department of Defense, including its combatant commands, and the following with regard to homeland security:

(A) Other departments and agencies of the Federal Government.

(B) State and local governments.

(C) The National Guard and Reserve components.

(4) The current capability of the Department of Defense to respond to terrorist attacks employing chemical, biological, radiological, nuclear, high explosive or cyberterrorism weapons against personnel and critical infrastructure of the Department, including identification of the goals of the Department for being fully capable of responding to such attacks, current deficiencies in that capability, the resources required to achieve that capability, and a long-term plan to reach that capability.

(5) The roles, missions, and responsibilities of the intelligence components of the Department of Defense in support of its homeland security mission, including the policies and plans for—

(A) collecting and analyzing information related to homeland security;

(B) sharing that information with other agencies of the Federal Government; and

(C) preparing threat and risk assessments and issuing warnings.

(6) A discussion of plans of the Department of Defense for training, exercising, and preparing to perform its homeland security mission, including—

(A) individual and collective training for civilian and military personnel of the Department involved in homeland security;

(B) integrated training with other agencies of the Federal Government, and with State and local governments, as appropriate;

(C) interagency exercises and simulations; and

(D) the development of a permanent "terrorist opposing force" capable of challenging the Department's plans, policies, and capabilities during training events and exercises.

(7) A discussion of how the Department of Defense biological defense research program supports its homeland security mission.

(8) A discussion of the efforts by the Department of Defense to develop, either within the Department or through contracts with private entities, anticyberterrorism technology, including an assessment of whether and how such efforts should be increased.

(9) An assessment of the need for and feasibility of developing and fielding Department of Defense regional chemical-biological incident response teams across the United States, including options for providing the resources and personnel necessary for developing and fielding any such teams.

(10) A discussion of the Department of Defense plans and efforts to place new emphasis on the unique operational demands associated with homeland security while ensuring that defense of the United States remains the primary mission of the Department of Defense.

(11) The resource constraints and legal impediments to implementing any of the activities discussed under paragraphs (1) through (10).

SEC. 1405. SENSE OF CONGRESS ON DEPARTMENT OF DEFENSE ASSISTANCE TO LOCAL FIRST RESPONDERS.

It is the sense of Congress that the Secretary of Defense should, to the extent the Secretary considers appropriate and feasible, provide assistance, in accordance with otherwise applicable provisions of law, to entities that are local first responders for domestic terrorist incidents in order to assist those entities in improving their capabilities to respond to such incidents.

TITLE XV—AUTHORIZATION OF APPROPRIATIONS FOR THE WAR ON TERRORISM

Sec. 1501. Authorization of appropriations for continued operations for the war on terrorism.
Sec. 1502. Mobilization and personnel.
Sec. 1503. Operations.
Sec. 1504. Equipment replacement and enhancement.
Sec. 1505. Classified activities.
Sec. 1506. Procurement of munitions.
Sec. 1507. Discretionary restoration of authorizations of appropriations reduced for management efficiencies.
Sec. 1508. General provisions applicable to transfers.

SEC. 1501. AUTHORIZATION OF APPROPRIATIONS FOR CONTINUED OPERATIONS FOR THE WAR ON TERRORISM.

In addition to any other amounts authorized to be appropriated by this Act, there is hereby authorized to be appropriated for the Department of Defense for fiscal year 2003, subject to subsection (b), $10,000,000,000 only for the conduct of Operation Noble Eagle and Operation Enduring Freedom in continuation of the war on terrorism in accordance with the purposes stated in section 2(a) of the Authorization for Use of Military Force (Public Law 107–40; 50 U.S.C. 1541 note).

SEC. 1502. MOBILIZATION AND PERSONNEL.

Of the amount authorized to be appropriated in section 1501, $2,550,000,000 shall be available only for transfer (subject to sections 1507 and 1508) to fiscal year 2003 military personnel accounts

of the Department of Defense for the purpose of providing for the personnel and personnel support costs of the members of the Armed Forces who are participating in Operation Noble Eagle or Operation Enduring Freedom in continuation of the war on terrorism in accordance with the purposes referred to in section 1501(a).

SEC. 1503. OPERATIONS.

Of the amount authorized to be appropriated in section 1501, $4,270,000,000 shall be available only for transfer (subject to sections 1507 and 1508) to fiscal year 2003 operation and maintenance accounts and working-capital funds of the Department of Defense for operating costs of the conduct of Operation Noble Eagle and Operation Enduring Freedom in continuation of the war on terrorism in accordance with the purposes referred to in section 1501(a).

SEC. 1504. EQUIPMENT REPLACEMENT AND ENHANCEMENT.

Of the amount authorized to be appropriated in section 1501, $1,000,000,000 shall be available only for transfer (subject to sections 1507 and 1508) to fiscal year 2003 procurement and research, development, test, and evaluation accounts of the Department of Defense for—

(1) emergency replacement of equipment and munitions lost or expended in operations conducted as part of Operation Noble Eagle or Operation Enduring Freedom in continuation of the war on terrorism in accordance with the purposes referred to in section 1501(a); or

(2) enhancement of critical military capabilities necessary to carry out operations as part of those Operations in continuation of the war on terrorism in accordance with those purposes.

SEC. 1505. CLASSIFIED ACTIVITIES.

Of the amount authorized to be appropriated in section 1501, $1,980,000,000 shall be available only for unspecified intelligence and classified activities carried out in support of Operation Noble Eagle or Operation Enduring Freedom in continuation of the war on terrorism in accordance with the purposes referred to in section 1501(a), and only by transfer (subject to sections 1507 and 1508) to fiscal year 2003 accounts of the Department of Defense in amounts as follows:

(1) To procurement accounts, $1,618,200,000.

(2) To operation and maintenance accounts, $301,600,000.

(3) To research, development, test, and evaluation accounts, $60,200,000.

SEC. 1506. PROCUREMENT OF MUNITIONS.

Of the amount authorized to be appropriated in section 1501, $200,000,000 shall be available only for the procurement of munitions for the support of Operation Noble Eagle or Operation Enduring Freedom in continuation of the war on terrorism in accordance with the purposes referred to in section 1501(a), and only by transfer (subject to sections 1507 and 1508) to fiscal year 2003 procurement accounts of the Department of Defense in amounts as follows:

(1) To accounts of the Army for the procurement of ammunition $94,000,000.

(2) To accounts of the Navy for the procurement of weapons, $35,000,000.

(3) To accounts of the Navy and Marine Corps for the procurement of ammunition, $25,000,000.

(4) To accounts of the Air Force for the procurement of ammunition, $40,000,000.

(5) To Defense-wide procurement accounts for special operations forces, $6,000,000.

SEC. 1507. DISCRETIONARY RESTORATION OF AUTHORIZATIONS OF APPROPRIATIONS REDUCED FOR MANAGEMENT EFFICIENCIES.

(a) TRANSFER AUTHORITY.—(1) The Secretary of Defense may, subject to section 1508, transfer up to a total of $1,000,000,000 of the amount authorized to be appropriated by section 1501 to Department of Defense accounts under titles I, II, and III that are reduced for savings described in paragraph (2) if and to the extent that the Secretary determines that such savings are not achievable.

(2) The savings referred to in paragraph (1) are savings that are to be achieved from—

(A) improved management of Department of Defense contracts for the procurement of services; and

(B) the deferral of expenditures on financial management systems.

(b) RELATIONSHIP TO OTHER TITLE XV TRANSFER AUTHORITIES.—The total amount transferred under sections 1502 through 1506 and under section 1507 may not exceed the total amount authorized to be appropriated by section 1501.

SEC. 1508. GENERAL PROVISIONS APPLICABLE TO TRANSFERS.

(a) MERGER OF TRANSFERRED AMOUNTS.—Amounts transferred pursuant to this title shall be merged with, and shall be available for the same purposes and the same period as, the account to which transferred.

(b) CONGRESSIONAL NOTICE-AND-WAIT REQUIREMENT.—A transfer may not be made under section 1502, 1503, 1504, 1505, 1506, or 1507 until the Secretary of Defense has submitted a notice in writing to the congressional defense committees of the proposed transfer and a period of 15 days has elapsed after the date such notice is received. Any such notice shall include specification of the amount of the proposed transfer, the account to which the transfer is to be made, and the purpose of the transfer.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authorities provided in this title are in addition to any other transfer authority available to the Secretary of Defense under any provision of any other title of this Act or under any other provision of law.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 2003".

TITLE XXI—ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.
Sec. 2102. Family housing.
Sec. 2103. Improvements to military family housing units.
Sec. 2104. Authorization of appropriations, Army.
Sec. 2105. Modification of authority to carry out certain fiscal year 2002 projects.
Sec. 2106. Modification of authority to carry out certain fiscal year 2001 project.

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations 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	$1,900,000
	Fort Rucker	$15,808,000
	Redstone Arsenal	$1,950,000
Alaska	Fort Greely	$2,700,000
	Fort Richardson	$20,011,000
	Fort Wainwright	$139,906,000
Arizona	Fort Huachuca	$10,400,000
	Yuma Proving Ground	$4,500,000
California	Fort Irwin	$2,522,000
Colorado	Fort Carson	$9,698,000
District of Columbia	Walter Reed Army Medical Center	$13,794,000
Georgia	Fort Benning	$86,250,000
	Fort Stewart/Hunter Army Air Field	$26,000,000
Hawaii	Schofield Barracks	$191,000,000
Kansas	Fort Leavenworth	$7,979,000
	Fort Riley	$81,095,000
Kentucky	Blue Grass Army Depot	$5,500,000
	Fort Campbell	$106,300,000
	Fort Knox	$5,873,000
Louisiana	Fort Polk	$37,620,000
Maryland	Fort Detrick	$22,500,000
Massachusetts	Natick Research, Development, and Engineering Center	$4,100,000
Missouri	Fort Leonard Wood	$24,993,000
New Jersey	Picatinny Arsenal	$7,500,000
New York	Fort Drum	$18,300,000
	United States Military Academy, West Point	$4,991,000
North Carolina	Fort Bragg	$99,632,000
Oklahoma	Fort Sill	$39,652,000
Pennsylvania	Letterkenny Army Depot	$1,550,000
South Carolina	Fort Jackson	$3,051,000
Texas	Fort Bliss	$5,200,000
	Fort Hood	$83,061,000
Virginia	Fort Eustis	$4,133,000
	Fort Lee	$7,103,000
Washington	Fort Lewis	$56,195,000
	Yakima Training Center	$3,000,000
	Total	$1,155,767,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Belgium	Supreme Headquarters, Allied Powers Europe	$13,600,000
Germany	Area Support Group, Bamberg	$17,200,000
	Campbell Barracks	$8,300,000
	Coleman Barracks	$1,350,000
	Darmstadt	$3,500,000
	Grafenwoehr	$69,866,000
	Landstuhl	$2,400,000
	Mannheim	$42,000,000
	Schweinfurt	$2,000,000
Italy	Vicenza	$34,700,000
Korea	Camp Carroll	$20,000,000
	Camp Castle	$6,800,000
	Camp Hovey	$25,000,000
	Camp Humphreys	$36,000,000
	Camp Henry	$10,200,000
	Camp Tango	$12,600,000
	K16 Airfield	$40,000,000
Qatar	Qatar	$8,600,000
	Total	$354,116,000

(c) UNSPECIFIED WORLDWIDE.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(3), the Secretary of the Army may acquire real property and carry out military construction projects for the installation and location, and in the amount, set forth in the following table:

Army: Unspecified Worldwide

Location	Installation	Amount
Unspecified Worldwide	Unspecified Worldwide	$4,000,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State or Country	Installation or location	Purpose	Amount
Alaska	Fort Wainwright	38 Units	$17,752,000
Arizona	Yuma Proving Ground	33 Units	$6,100,000
Korea	Yongsan	10 Units	$3,100,000
	Total:		$26,952,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $15,653,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $239,751,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $3,104,176,000, as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $949,567,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $354,116,000.

(3) For military construction projects at unspecified worldwide locations authorized by section 2101(c), $4,000,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $21,550,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $160,313,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $282,356,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,117,274,000.

(7) For the construction of phase 2 of Saddle Access Road, Pohakoula Training Facility, Hawaii, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as enacted into law by Public Law 106–398; 114 Stat. 1654A–389), $13,000,000.

(8) For the construction of phase 3 of a barracks complex, Butner Road, at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as enacted into law by Public Law 106–398; 114 Stat. 1654A–389), $50,000,000.

(9) For the construction of phase 2 of a barracks complex, D Street, at Fort Richardson, Alaska, authorized by section 2101(a) of the Military Construction Authorization Act for Fis-

cal Year 2002 (division B of Public Law 107–107; 115 Stat. 1280), $21,000,000.

(10) For the construction of phase 2 of a barracks complex, Nelson Boulevard, at Fort Carson, Colorado, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1280), as amended by section 2105 of this Act, $42,000,000.

(11) For the construction of phase 2 of a basic combat trainee complex at Fort Jackson, South Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1280), as amended by section 2105 of this Act, $39,000,000.

(12) For the construction of phase 2 of a barracks complex, 17th and B Streets, at Fort Lewis, Washington, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1280), $50,000,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1), (2), and (3) of subsection (a);

(2) $18,000,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex, Main Post, at Fort Benning, Georgia);

(3) $100,000,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex, Capron Avenue, at Schofield Barracks, Hawaii);

(4) $13,200,000 (the balance of the amount authorized under section 2101(a) for construction of a combined arms collective training facility at Fort Riley, Kansas);

(5) $50,000,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex, Range Road, at Fort Campbell, Kentucky); and

(6) $25,000,000 (the balance of the amount authorized under section 2101(a) for construction of a consolidated maintenance complex at Fort Sill, Oklahoma).

(c) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (12) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by the following:

(1) $18,596,000, which represents savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States.

(2) $29,350,000, which represents savings resulting from adjustments in the accounting of civilian personnel benefits.

(3) $16,740,000, which represents savings resulting from reductions in supervision, inspection, and overhead costs.

(4) $18,000,000, which represents savings resulting from lower-than-expected inflation.

SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2002 PROJECTS.

(a) MODIFICATION.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107-107; 115 Stat. 1281) is amended—

(1) in the item relating to Fort Carson, Colorado, by striking "$66,000,000" in the amount column and inserting "$67,000,000"; and

(2) in the item relating to Fort Jackson, South Carolina, by striking "$65,650,000" in the amount column and inserting "$68,650,000".

(b) CONFORMING AMENDMENTS.—Section 2104(b) of that Act (115 Stat. 1284) is amended—

(1) in paragraph (3), by striking "$41,000,000" and inserting "$42,000,000"; and

(2) in paragraph (4), by striking "$36,000,000" and inserting "$39,000,000".

SEC. 2106. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECT.

The table in section 2101(b) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as enacted into law by Public Law 106–398; 114 Stat. 1654A–390) is amended by striking "Camp Page" in the installation or location column and inserting "Camp Stanley".

TITLE XXII—NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.
Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
Sec. 2204. Authorization of appropriations, Navy.
Sec. 2205. Modification of authority to carry out certain fiscal year 2002 projects.

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Marine Corps Air Station, Yuma.	$3,000,000
California	Auxiliary Landing Field, San Diego (San Clemente Island)	$6,150,000
	Marine Corps Air-Ground Combat Center, Twentynine Palms	$39,470,000
	Marine Corps Air Station, Camp Pendleton	$11,930,000
	Marine Corps Air Station, Miramar	$12,210,000
	Marine Corps Base, Camp Pendleton	$84,040,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
	Marine Corps Logistics Base, Barstow	$4,450,000
	Naval Air Station, Lemoore	$35,855,000
	Naval Air Warfare Center, Point Mugu, San Nicholas Island	$6,760,000
	Naval Air Warfare Center, China Lake	$10,100,000
	Naval Construction Training Center, Port Hueneme	$10,170,000
	Naval Post Graduate School, Monterey	$9,020,000
	Naval Station, San Diego	$12,210,000
Connecticut	Naval Submarine Base, New London	$7,880,000
District of Columbia	Marine Corps Barracks	$3,700,000
	Naval District, Washington	$2,690,000
Florida	Naval Air Station, Jacksonville.	$13,342,000
	Naval Air Station, Pensacola	$990,000
	Naval School Explosive Ordnance Detachment, Eglin	$6,350,000
	Naval Station, Mayport	$1,900,000
	Naval Surface Warfare Center Coastal Systems Station, Panama City	$10,700,000
Georgia	Naval Submarine Base, Kings Bay.	$1,580,000
Hawaii	Marine Corps Base	$9,500,000
	Naval Shipyard, Pearl Harbor	$18,500,000
	Naval Station, Pearl Harbor	$34,090,000
Illinois	Naval Training Center, Great Lakes.	$83,190,000
Indiana	Naval Surface Warfare Center, Crane	$11,610,000
Maine	Naval Air Station, Brunswick	$9,830,000
	Naval Shipyard, Kittery-Portsmouth.	$15,200,000
Maryland	Naval Air Facility, Andrews Air Force Base	$9,680,000
	Naval Surface Warfare Center, Carderock Division	$12,900,000
	United States Naval Academy	$1,800,000
Mississippi	Naval Air Station, Meridian	$2,850,000
	Naval Construction Battalion Center, Gulfport	$5,460,000
	Naval Station, Pascagoula	$25,305,000
New Jersey	Naval Air Warfare Center, Lakehurst.	$5,200,000
	Naval Weapons Station, Earle	$5,600,000
North Carolina	Marine Corps Air Station, Cherry Point.	$6,040,000
	Marine Corps Air Station, New River.	$6,920,000
	Marine Corps Base, Camp Lejeune.	$9,570,000
Rhode Island	Naval Station, Newport	$15,900,000
South Carolina	Marine Corps Air Station, Beaufort	$13,700,000
	Marine Corps Recruit Depot, Parris Island	$10,490,000
	Naval Weapons Station, Charleston	$5,740,000
Texas	Naval Air Station, Corpus Christi.	$7,150,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
Virginia	Naval Station, Ingleside	$5,000,000
	Naval Air Station, Kingsville	$6,210,000
	Marine Corps Combat Development Command, Quantico	$24,864,000
	Naval Air Station Oceana	$16,490,000
	Naval Amphibious Base, Little Creek.	$9,770,000
	Naval Shipyard, Norfolk, Portsmouth.	$36,470,000
	Naval Station, Norfolk	$168,965,000
	Naval Support Activity, Norfolk.	$2,260,000
	Naval Surface Warfare Center, Dahlgren	$15,830,000
	Naval Weapons Station, Yorktown.	$15,020,000
Washington	Naval Air Station, Whidbey Island.	$17,580,000
	Naval Magazine, Indian Island.	$4,030,000
	Naval Station, Bremerton	$45,870,000
	Naval Submarine Base, Bangor.	$22,310,000
	Naval Undersea Warfare Center, Keyport	$7,500,000
	Puget Sound Naval Shipyard, Bremerton	$57,132,000
	Strategic Weapons Facility, Bangor.	$7,340,000
Various Locations	Host Nation Infrastructure	$1,000,000
	Total	$1,084,363,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Bahrain	Naval Support Activity, Bahrain	$25,970,000
Cuba	Naval Station, Guantanamo Bay	$4,280,000
Diego Garcia	Diego Garcia, Naval Support Facility	$11,090,000
Greece	Naval Support Activity, Joint Headquarters Command, Larissa	$6,800,000
Guam	Commander, United States Naval Forces, Guam	$13,400,000
Iceland	Naval Air Station, Keflavik	$14,920,000
Italy	Naval Air Station, Sigonella	$55,660,000
Spain	Naval Station, Rota	$18,700,000
	Total	$150,820,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition and supporting fa-

cilities) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

State or Country	Installation or location	Purpose	Amount
California	Naval Air Station, Lemoore	178 Units	$40,981,000
	Twentynine Palms	76 Units	$19,425,000
Connecticut	Naval Submarine Base, New London	100 Units	$24,415,000
Florida	Naval Station, Mayport	1 Unit	$329,000
Hawaii	Marine Corps Base, Kaneohe Bay	65 Units	$24,797,000
Maine	Naval Air Station, Brunswick	22 Units	$5,000,000
Mississippi	Naval Air Station, Meridian	56 Units	$9,755,000
North Carolina	Marine Corps Base, Camp Lejeune	317 Units	$43,650,000
Virginia	Marine Corps Base, Quantico	290 Units	$41,843,000
United Kingdom	Joint Maritime Facility, St. Mawgan	62 Units	$18,524,000
		Total	$228,719,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriation in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $11,281,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $139,468,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,576,381,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $1,025,598,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $148,250,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $26,187,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $95,570,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $379,468,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $867,788,000.

(6) For replacement of a pier at Naval Station, Norfolk, Virginia, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1287), as amended by section 2205 of this Act, $33,520,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $10,645,000 (the balance of the amount authorized under section 2201(a) for a bachelors enlisted quarters shipboard ashore, Naval Station, Pascagoula, Mississippi);

(3) $48,120,000 (the balance of the amount authorized under section 2201(a) for a bachelors enlisted quarters shipboard ashore, Naval Station, Norfolk, Virginia); and

(4) $2,570,000 (the balance of the amount authorized under section 2201(b) for a quality of life support facility, Naval Air Station Sigonella, Italy).

(c) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (6) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by the following:

(1) $3,992,000, which represents savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States.

(2) $10,470,000, which represents savings resulting from adjustments in the accounting of civilian personnel benefits.

(3) $15,017,000, which represents savings resulting from reductions in supervision, inspection, and overhead costs.

(4) $14,000,000, which represents savings resulting from lower-than-expected inflation.

SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2002 PROJECTS.

(a) MILITARY CONSTRUCTION PROJECT AT NAVAL STATION, NORFOLK, VIRGINIA.—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1286) is amended—

(1) in the item relating to Naval Station, Norfolk, Virginia, by striking "$139,270,000" in the amount column and inserting "$139,550,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$1,059,030,000".

(b) MILITARY FAMILY HOUSING AT QUANTICO, VIRGINIA.—The table in section 2202(a) of that Act (115 Stat. 1288) is amended in the item relating to Marine Corps Combat Development Command, Quantico, Virginia, by striking "60 Units" in the purpose column and inserting "39 Units".

(c) CONFORMING AMENDMENT.—Section 2204(b)(2) of that Act (115 Stat. 1289) is amended by striking "$33,240,000" and inserting "$33,520,000".

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.
Sec. 2302. Family housing.
Sec. 2303. Improvements to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.
Sec. 2305. Authority for use of military construction funds for construction of public road near Aviano Air Base, Italy, to replace road closed for force protection purposes.

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	*Installation or location*	*Amount*
Alaska	*Clear Air Station*	*$14,400,000*
	Eielson Air Force Base	*$41,100,000*
Arizona	*Davis-Monthan Air Force Base*	*$19,270,000*
	Luke Air Force Base	*$13,000,000*
Arkansas	*Little Rock Air Force Base*	*$25,600,000*
California	*Beale Air Force Base*	*$11,740,000*
	Travis Air Force Base	*$33,469,000*
	Vandenberg Air Force Base	*$10,500,000*
Colorado	*Buckley Air National Guard Base*	*$17,700,000*
	Peterson Air Force Base	*$5,500,000*
	Schriever Air Force Base	*$5,700,000*
	United States Air Force Academy	*$4,200,000*
District of Columbia	*Bolling Air Force Base*	*$5,000,000*
Florida	*Avon Park Air Force Range*	*$2,000,000*
	Elgin Air Force Base	*$4,250,000*
	Hurlburt Field	*$15,000,000*
	MacDill Air Force Base	*$20,000,000*
Georgia	*Robins Air Force Base*	*$29,400,000*
Hawaii	*Hickam Air Force Base*	*$1,350,000*
Kansas	*McConnell Air Force Base*	*$7,500,000*
Louisiana	*Barksdale Air Force Base*	*$22,900,000*
Maryland	*Andrews Air Force Base*	*$9,600,000*
Massachusetts	*Hanscom Air Force Base*	*$7,700,000*
Mississippi	*Keesler Air Force Base*	*$22,000,000*
Nebraska	*Offutt Air Force Base*	*$11,000,000*
Nevada	*Nellis Air Force Base*	*$56,850,000*
New Jersey	*McGuire Air Force Base*	*$29,831,000*
New Mexico	*Cannon Air Force Base*	*$4,650,000*
	Holloman Air Force Base	*$4,650,000*
	Kirtland Air Force Base	*$21,900,000*
North Carolina	*Pope Air Force Base*	*$9,700,000*
North Dakota	*Minot Air Force Base*	*$5,000,000*
Ohio	*Wright-Patterson Air Force Base*	*$25,000,000*
Oklahoma	*Altus Air Force Base*	*$14,800,000*
	Vance Air Force Base	*$4,800,000*
South Carolina	*Shaw Air Force Base*	*$6,800,000*
South Dakota	*Ellsworth Air Force Base*	*$13,200,000*
Texas	*Goodfellow Air Force Base*	*$10,600,000*
	Lackland Air Force Base	*$37,300,000*
	Lackland Air Force Base (Camp Bullis)	*$10,000,000*
	Laughlin Air Force Base	*$8,000,000*
	Sheppard Air Force Base	*$16,000,000*
Utah	*Hill Air Force Base*	*$14,500,000*

Air Force: Inside the United States—Continued

State	*Installation or location*	*Amount*
Virginia	*Langley Air Force Base*	*$70,940,000*
	Total	*$724,400,000*

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	*Installation or location*	*Amount*
Diego Garcia	*Diego Garcia*	*$17,100,000*
Germany	*Ramstein Air Force Base*	*$71,783,000*
Guam	*Andersen Air Force Base*	*$31,000,000*
Italy	*Aviano Air Force Base*	*$6,600,000*
Japan	*Kadena Air Force Base*	*$6,000,000*
Korea	*Osan Air Base*	*$15,100,000*
Spain	*Naval Station, Rota*	*$31,818,000*
Turkey	*Incirlik Air Force Base*	*$1,550,000*
United Kingdom	*Royal Air Force, Fairford*	*$19,000,000*
	Royal Air Force, Lakenheath	*$13,400,000*
Wake Island	*Wake Island*	*$24,900,000*
	Total	*$238,251,000*

(c) UNSPECIFIED WORLDWIDE.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(3), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installation and location, and in the amount, set forth in the following table:

Air Force: Unspecified Worldwide

Location	*Installation*	*Amount*
Unspecified Worldwide	*Classified Location*	*$24,993,000*
	Total	*$24,993,000*

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition and supporting facilities) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

State or Country	*Installation or location*	*Purpose*	*Amount*
Arizona	*Luke Air Force Base*	*140 Units*	*$18,954,000*
California	*Travis Air Force Base*	*110 Units*	*$24,320,000*
Colorado	*Peterson Air Force Base*	*2 Units*	*$959,000*
	United States Air Force Academy	*71 Units*	*$12,424,000*
Delaware	*Dover Air Force Base*	*112 Units*	*$19,615,000*

Air Force: Family Housing—Continued

State or Country	Installation or location	Purpose	Amount
Florida	Eglin Air Force Base	Housing Office	$597,000
	Eglin Air Force Base	134 Units	$15,906,000
	MacDill Air Force Base	96 Units	$18,086,000
Hawaii	Hickam Air Force Base	96 Units	$29,050,000
Idaho	Mountain Home Air Force Base	95 Units	$24,392,000
Kansas	McConnell Air Force Base	Housing Maintenance Facility	$1,514,000
Maryland	Andrews Air Force Base	53 Units	$9,838,000
	Andrews Air Force Base	52 Units	$8,807,000
Mississippi	Columbus Air Force Base	Housing Office	$412,000
	Keesler Air Force Base	117 Units	$16,505,000
Missouri	Whiteman Air Force Base	97 Units	$17,107,000
Montana	Malmstrom Air Force Base	18 Units	$4,717,000
New Mexico	Holloman Air Force Base	101 Units	$20,161,000
North Carolina	Pope Air Force Base	Housing Maintenance Facility	$991,000
	Seymour Johnson Air Force Base	126 Units	$18,615,000
North Dakota	Grand Forks Air Force Base	150 Units	$30,140,000
	Minot Air Force Base	112 Units	$21,428,000
	Minot Air Force Base	102 Units	$20,315,000
Oklahoma	Vance Air Force Base	59 Units	$11,423,000
South Dakota	Ellsworth Air Force Base	Housing Maintenance Facility	$447,000
	Ellsworth Air Force Base	22 Units	$4,794,000
Texas	Dyess Air Force Base	85 Units	$14,824,000
	Randolph Air Force Base	Housing Maintenance Facility	$447,000
	Randolph Air Force Base	112 Units	$14,311,000
Virginia	Langley Air Force Base	Housing Office	$1,193,000
Germany	Ramstein Air Force Base	19 Units	$8,534,000
Korea	Osan Air Base	113 Units	$35,705,000
	Osan Air Base	Housing Supply Warehouse	$834,000
United Kingdom	Royal Air Force, Lakenheath	Housing Office and Maintenance Facility	$2,203,000
	Total		$429,568,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $34,188,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $226,068,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,633,738,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $717,300,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $238,251,000.

(3) For military construction projects at unspecified worldwide locations authorized by section 2301(c), $24,993,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $11,500,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $82,820,000.

(6) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $689,824,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $869,050,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1), (2) and (3) of subsection (a); and

(2) $7,100,000 (the balance of the amount authorized under section 2301(a) for construction of a consolidated base engineer complex at Altus Air Force Base, Oklahoma).

(c) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (6) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by the following:

(1) $19,063,000, which represents savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States.

(2) $15,306,000, which represents savings resulting from reductions in supervision, inspection, and overhead costs.

(3) $16,000,000, which represents savings resulting from lower-than-expected inflation.

SEC. 2305. AUTHORITY FOR USE OF MILITARY CONSTRUCTION FUNDS FOR CONSTRUCTION OF PUBLIC ROAD NEAR AVIANO AIR BASE, ITALY, TO REPLACE ROAD CLOSED FOR FORCE PROTECTION PURPOSES.

(a) AUTHORITY TO USE FUNDS.—Using amounts authorized to be appropriated by section 2304(a)(2), the Secretary of the Air Force may carry out a project to provide a public road, and associated improvements, to replace a public road adjacent to Aviano Air Base, Italy, that has been closed for force protection purposes.

(b) SCOPE OF AUTHORITY.—(1) The authority of the Secretary to carry out the project referred to in subsection (a) shall include authority as follows:

(A) To acquire property for the project for transfer to a host nation authority.

(B) To provide funds to a host nation authority to acquire property for the project.

(C) To make a contribution to a host nation authority for purposes of carrying out the project.

(D) To provide vehicle and pedestrian access to landowners affected by the project.

(2) The acquisition of property using the authority in subparagraph (A) or (B) of paragraph (1) may be made regardless of whether or not ownership of such property will vest in the United States.

(c) INAPPLICABILITY OF CERTAIN REAL PROPERTY MANAGEMENT REQUIREMENT.—Section 2672(a)(1)(B) of title 10, United States Code, shall not apply with respect to any acquisition of interests in land for purposes of the project authorized by subsection (a).

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Improvements to military family housing units.
Sec. 2403. Energy conservation projects.
Sec. 2404. Authorization of appropriations, Defense Agencies.
Sec. 2405. Modification of authority to carry out certain fiscal year 2000 project.
Sec. 2406. Modification of authority to carry out certain fiscal year 1999 project.
Sec. 2407. Modification of authority to carry out certain fiscal year 1997 project.

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Demilitarization	Pine Bluff, Arkansas	$18,937,000
Defense Intelligence Agency	Bolling Air Force Base, District of Columbia	$111,958,000
Defense Logistics Agency	Defense Supply Center, Richmond, Virginia	$5,500,000
	Naval Air Station, New Orleans, Louisiana	$9,500,000
	Travis Air Force Base, California	$16,000,000
Defense Threat Reduction Agency	Fort Belvoir, Virginia	$76,388,000
Department of Defense Dependents Schools	Fort Bragg, North Carolina	$2,036,000
	Fort Jackson, South Carolina	$2,506,000
	Marine Corps Base, Camp Lejeune, North Carolina	$12,138,000
	Marine Corps Base, Quantico, Virginia	$1,418,000
	United States Military Academy, West Point, New York	$4,347,000

Defense Agencies: Inside the United States—Continued

Agency	*Installation or location*	*Amount*
Joint Chiefs of Staff	*Peterson Air Force Base, Colorado*	*$25,000,000*
Missile Defense Agency	*Kauai, Hawaii*	*$23,400,000*
National Security Agency	*Fort Meade, Maryland*	*$4,484,000*
Special Operations Command	*Dam Neck, Virginia*	*$3,900,000*
	Fort Bragg, North Carolina	*$30,800,000*
	Hurlburt Field, Florida	*$11,100,000*
	Naval Amphibious Base, Little Creek, Virginia	*$14,300,000*
	Stennis Space Center, Mississippi	*$5,000,000*
TRICARE Management Activity	*Elmendorf Air Force Base, Alaska*	*$10,400,000*
	Hickam Air Force Base, Hawaii	*$2,700,000*
Washington Headquarters Services	*District of Columbia*	*$2,500,000*
	Total	*$394,312,000*

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

Agency	*Installation or location*	*Amount*
Defense Logistics Agency	*Andersen Air Force Base, Guam*	*$17,586,000*
	Naval Forces Marianas Islands, Guam	*$6,000,000*
	Naval Station, Rota, Spain	*$23,400,000*
	Royal Air Force, Fairford, United Kingdom	*$17,000,000*
	Yokota Air Base, Japan	*$23,000,000*
Department of Defense Dependents Schools	*Kaiserslautern, Germany*	*$957,000*
	Lajes Field, Azores, Portugal	*$1,192,000*
	Seoul, Korea	*$31,683,000*
	Supreme Headquarters, Allied Powers Europe, Belgium	*$1,573,000*
	Spangdahlem Air Base, Germany	*$997,000*
	Vicenza, Italy	*$2,117,000*
TRICARE Management Activity	*Naval Support Activity, Naples, Italy*	*$41,449,000*
	Spangdahlem Air Base, Germany	*$39,629,000*
	Total	*$206,583,000*

SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(8)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $5,480,000.

SEC. 2403. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(6), the Secretary of Defense may

carry out energy conservation projects under section 2865 of title 10, United States Code, in the amount of $34,531,000.

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments) in the total amount of $1,434,795,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $357,712,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $206,583,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,293,000.

(4) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $10,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $45,532,000.

(6) For energy conservation projects authorized by section 2403, $34,531,000.

(7) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $565,138,000.

(8) For military family housing functions:

(A) For improvement of military family housing and facilities, $5,480,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $42,432,000.

(C) For credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code, $2,000,000.

(9) For payment of a claim against the Hospital Replacement project at Elmendorf Air Force Base, Alaska, $10,400,000.

(10) For the construction of phase 4 of an ammunition demilitarization facility at Pueblo Chemical Activity, Colorado, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2775), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 839) and section 2407 of this Act, $38,000,000.

(11) For the construction of phase 5 of an ammunition demilitarization facility at Newport Army Depot, Indiana, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), as amended by section 2406 of this Act, $61,494,000.

(12) For the construction of phase 5 of an ammunition demilitarization facility at Aberdeen Proving Ground, Maryland, authorized by section 2401(a) of the Military Construction Au-

thorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1299), $20,600,000.

(13) For the construction of phase 3 of an ammunition demilitarization facility at Blue Grass Army Depot, Kentucky, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 835), as amended by section 2405 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1298) and section 2405 of this Act, $10,300,000.

(14) For the construction of phase 3 of an ammunition demilitarization support facility at Blue Grass Army Depot, Kentucky, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 835), $8,300,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $26,200,000 (the balance of the amount authorized under section 2401(a) for the construction of the Defense Threat Reduction Center, Fort Belvoir, Virginia).

(c) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (14) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by the following:

(1) $2,976,000, which represents savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States.

(2) $37,000, which represents savings resulting from adjustments in the accounting of civilian personnel benefits.

(3) $7,414,000, which represents savings resulting from reductions in supervision, inspection, and overhead costs.

(4) $7,000,000, which represents savings resulting from lower-than-expected inflation.

SEC. 2405. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECT.

(a) MODIFICATION.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 835), as amended by section 2405 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1298), is further amended—

(1) under the agency heading relating to Chemical Demilitarization, in the item relating to Blue Grass Army Depot, Kentucky, by striking "$254,030,000" in the amount column and inserting "$290,325,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$748,245,000".

(b) CONFORMING AMENDMENT.—Section 2405(b)(3) of the Military Construction Authorization Act for Fiscal Year 2000 (113 Stat. 839), as so amended, is further amended by striking "$231,230,000" and inserting "$267,525,000".

SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1999 PROJECT.

(a) MODIFICATION.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1299), is further amended—

(1) under the agency heading relating to Chemical Demilitarization, in the item relating to Newport Army Depot, Indiana, by striking "$191,550,000" in the amount column and inserting "$293,853,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$829,919,000".

(b) CONFORMING AMENDMENT.—Section 2404(b)(2) of the Military Construction Authorization Act for Fiscal Year 1999 (112 Stat. 2196) is amended by striking "$162,050,000" and inserting "$264,353,000".

SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1997 PROJECT.

(a) MODIFICATION.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2775), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 839), is further amended—

(1) under the agency heading relating to Chemical Demilitarization Program, in the item relating to Pueblo Chemical Activity, Colorado, by striking "$203,500,000" in the amount column and inserting "$261,000,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$607,454,000".

(b) CONFORMING AMENDMENT.—Section 2406(b)(2) of the Military Construction Authorization Act for Fiscal Year 1997 (110 Stat. 2779), as so amended, is further amended by striking "$203,500,000" and inserting "$261,000,000".

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment program as pro-

vided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2002, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment program authorized by section 2501, in the amount of $168,200,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to subsection (a) is the amount specified in such subsection, reduced by $1,000,000, which represents savings resulting from lower-than-expected inflation.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) IN GENERAL.—There are authorized to be appropriated for fiscal years beginning after September 30, 2002, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $237,236,000; and

(B) for the Army Reserve, $99,399,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $75,801,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $204,215,000; and

(B) for the Air Force Reserve, $85,649,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to subsection (a)(1)(A) is the amount specified in such subsection, reduced by $1,000,000, which represents savings resulting from lower-than-expected inflation.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorizations of certain fiscal year 2000 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 1999 projects.

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 2005; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2006.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects, and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) for which appropriated funds have been obligated before the later of—

(1) October 1, 2005; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2006 for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 2000 PROJECTS.

(a) EXTENSION OF CERTAIN PROJECTS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 841), authorizations set forth in the tables in subsection (b), as provided in section 2302 or 2601 of that Act, shall remain in effect until October 1, 2003, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2004, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Air Force: Extension of 2000 Project Authorizations

State	Installation or location	Project	Amount
Oklahoma	Tinker Air Force Base	Replace Family Housing (41 Units)	$6,000,000
Texas	Lackland Air Force Base	Dormitory	$5,300,000

Army National Guard: Extension of 2000 Project Authorization

State	Installation or location	Project	Amount
Virginia	Fort Pickett	Multi-Purpose Range Complex–Heavy	$13,500,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1999 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2199), authorizations set forth in the

table in subsection (b), as provided in section 2302 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1301), shall remain in effect until October 1, 2003, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2004, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Air Force: Extension of 1999 Project Authorizations

State	Installation or location	Project	Amount
Delaware	Dover Air Force Base	Replace Family Housing (55 Units)	$8,988,000
Florida	Patrick Air Force Base	Replace Family Housing (46 Units)	$9,692,000
New Mexico	Kirtland Air Force Base	Replace Family Housing (37 Units)	$6,400,000
Ohio	Wright-Patterson Air Force Base	Replace Family Housing (40 Units)	$5,600,000

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

Sec. 2801. Lease of military family housing in Korea.
Sec. 2802. Modification of alternative authority for acquisition and improvement of military housing.
Sec. 2803. Pilot housing privatization authority for acquisition or construction of military unaccompanied housing.
Sec. 2804. Repeal of source requirements for family housing construction overseas.
Sec. 2805. Availability of energy cost savings realized at military installations.

Subtitle B—Real Property and Facilities Administration

Sec. 2811. Agreements to limit encroachments and other constraints on military training, testing, and operations.
Sec. 2812. Conveyance of surplus real property for natural resource conservation purposes.
Sec. 2813. Modification of demonstration program on reduction in long-term facility maintenance costs.
Sec. 2814. Expanded authority to transfer property at military installations to be closed to persons who construct or provide military family housing.

Subtitle C—Land Conveyances

PART I—ARMY CONVEYANCES

Sec. 2821. Transfer of jurisdiction, Fort McClellan, Alabama, to establish Mountain Longleaf National Wildlife Refuge.
Sec. 2822. Land conveyances, lands in Alaska no longer required for National Guard purposes.
Sec. 2823. Land conveyance, Sunflower Army Ammunition Plant, Kansas.
Sec. 2824. Land conveyances, Bluegrass Army Depot, Richmond, Kentucky.
Sec. 2825. Land conveyance, Fort Campbell, Kentucky.
Sec. 2826. Land conveyance, Army Reserve Training Center, Buffalo, Minnesota.
Sec. 2827. Land conveyance, Fort Monmouth, New Jersey.
Sec. 2828. Land conveyance, Fort Bliss, Texas.
Sec. 2829. Land conveyance, Fort Hood, Texas.
Sec. 2830. Land conveyances, Engineer Proving Ground, Fort Belvoir, Virginia.

PART II—NAVY CONVEYANCES

Sec. 2831. Land conveyance, Marine Corps Air Station, Miramar, San Diego, California.
Sec. 2832. Modification of authority for land transfer and conveyance, Naval Security Group Activity, Winter Harbor, Maine.
Sec. 2833. Land conveyance, Westover Air Reserve Base, Massachusetts.
Sec. 2834. Land conveyance, Naval Station, Newport, Rhode Island.
Sec. 2835. Land exchange and boundary adjustments, Marine Corps Base, Quantico, and Prince William Forest Park, Virginia.

PART III—AIR FORCE CONVEYANCES

Sec. 2841. Modification of land conveyance, Los Angeles Air Force Base, California.
Sec. 2842. Land exchange, Buckley Air Force Base, Colorado.
Sec. 2843. Land conveyances, Wendover Air Force Base Auxiliary Field, Nevada.

Subtitle D—Other Matters

Sec. 2851. Master plan for use of Navy Annex, Arlington, Virginia.
Sec. 2852. Sale of excess treated water and wastewater treatment capacity, Marine Corps Base, Camp Lejeune, North Carolina.
Sec. 2853. Conveyance of real property, Adak Naval Complex, Alaska, and related land conveyances.
Sec. 2854. Special requirement for adding military installation to closure list.

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. LEASE OF MILITARY FAMILY HOUSING IN KOREA.

(a) INCREASE IN NUMBER OF UNITS AUTHORIZED FOR LEASE AT CURRENT MAXIMUM AMOUNT.—Paragraph (3) of section 2828(e) of title 10, United States Code, is amended by striking "800 units" and inserting "1,175 units".

(b) AUTHORITY TO LEASE ADDITIONAL NUMBER OF UNITS AT INCREASED MAXIMUM AMOUNT.—That section is further amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively;

(2) by inserting after paragraph (3) the following new paragraph (4):

"(4) In addition to the 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 Army may lease not more than 2,400 units of family housing in Korea subject to a maximum lease amount of $35,000 per unit per year.";

(3) in paragraph (5), as so redesignated, by striking "and (3)" and inserting "(3), and (4)"; and

(4) in paragraph (6), as so redesignated, by striking "53,000" and inserting "55,775".

SEC. 2802. MODIFICATION OF ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) AUTHORIZED UTILITIES AND SERVICES.—Section 2872a(b) of title 10, United States Code, is amended by adding at the end the following new paragraphs:

"(11) Firefighting and fire protection services.

"(12) Police protection services.".

(b) LEASING OF HOUSING.—(1) Section 2874 of such title is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by striking subsection (a) and inserting the following new subsections:

"(a) LEASE AUTHORIZED.—The Secretary concerned may enter into contracts for the lease of housing units that the Secretary determines are suitable for use as military family housing or military unaccompanied housing.

"(b) USE OF LEASED UNITS.—The Secretary concerned shall utilize housing units leased under this section as military family housing or military unaccompanied housing, as appropriate.".

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

"§ 2874. Leasing of housing".

(3) The table of sections at the beginning of subchapter IV of chapter 169 of such title is amended by striking the item relating to section 2874 and inserting the following new item:

"2874. Leasing of housing.".

(c) REPEAL OF INTERIM LEASE AUTHORITY.—(1) Section 2879 of such title is repealed.

(2) The table of sections at the beginning of subchapter IV of chapter 169 of such title is amended by striking the item relating to section 2879.

SEC. 2803. PILOT HOUSING PRIVATIZATION AUTHORITY FOR ACQUISITION OR CONSTRUCTION OF MILITARY UNACCOMPANIED HOUSING.

(a) IN GENERAL.—(1) Subchapter IV of chapter 169 of title 10, United States Code, is amended by inserting after section 2881 the following new section:

"§ 2881a. Pilot projects for acquisition or construction of military unaccompanied housing

"(a) PILOT PROJECTS AUTHORIZED.—The Secretary of the Navy may carry out not more than three pilot projects under the authority of this section or another provision of this subchapter to use the private sector for the acquisition or construction of military unaccompanied housing in the United States, including any territory or possession of the United States.

"(b) TREATMENT OF HOUSING; ASSIGNMENT OF MEMBERS.—The Secretary of the Navy may assign members of the armed forces without dependents to housing units acquired or constructed under the pilot projects, and such housing units shall be considered as quarters of the United States or a housing facility under the jurisdiction of the Secretary for purposes of section 403 of title 37.

"(c) BASIC ALLOWANCE FOR HOUSING.—(1) The Secretary of Defense may prescribe and, under section 403(n) of title 37, pay for members of the armed forces without dependents in privatized housing acquired or constructed under the pilot projects higher rates of partial basic allowance for housing than the rates authorized under paragraph (2) of such section.

"(2) The partial basic allowance for housing paid for a member at a higher rate under this subsection may be paid directly to the private sector source of the housing to whom the member is obligated to pay rent or other charge for residing in such housing if the private sector source credits the amount so paid against the amount owed by the member for the rent or other charge.

"(d) FUNDING.—(1) The Secretary of the Navy shall use the Department of Defense Military Unaccompanied Housing Improvement Fund to carry out activities under the pilot projects.

"(2) Subject to 90 days prior notification to the appropriate committees of Congress, such additional amounts as the Secretary of Defense considers necessary may be transferred to the Department of Defense Military Unaccompanied Housing Improvement Fund from amounts appropriated for construction of military unaccompanied housing in military construction accounts. The amounts so transferred shall be merged with and be available for the same purposes and for the same period of time as amounts appropriated directly to the Fund.

"(e) REPORTS.—(1) The Secretary of the Navy shall transmit to the appropriate committees of Congress a report describing—

"(A) each contract for the acquisition of military unaccompanied housing that the Secretary proposes to solicit under the pilot projects;

"(B) each conveyance or lease proposed under section 2878 of this title in furtherance of the pilot projects; and

"(C) the proposed partial basic allowance for housing rates for each contract as they vary by grade of the member and how they compare to basic allowance for housing rates for other contracts written under the authority of the pilot programs.

"(2) The report shall describe the proposed contract, conveyance, or lease and the intended method of participation of the United States in the contract, conveyance, or lease and provide a justification of such method of participation. The report shall be submitted not later than 90 days before the date on which the Secretary issues the contract solicitation or offers the conveyance or lease.

"(f) EXPIRATION.—Notwithstanding section 2885 of this title, the authority of the Secretary of the Navy to enter into a contract under the pilot programs shall expire September 30, 2007.".

(2) The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 2881 the following new item:

"2881a. Pilot projects for acquisition or construction of military unaccompanied housing.".

(b) CONFORMING AMENDMENT.—Section 2871(7) of title 10, United States Code, is amended by inserting before the period at the end the following: "and transient housing intended to be occupied by members of the armed forces on temporary duty".

SEC. 2804. REPEAL OF SOURCE REQUIREMENTS FOR FAMILY HOUSING CONSTRUCTION OVERSEAS.

Section 803 of the Military Construction Authorization Act, 1984 (Public Law 98–115; 10 U.S.C. 2821 note) is repealed.

SEC. 2805. AVAILABILITY OF ENERGY COST SAVINGS REALIZED AT MILITARY INSTALLATIONS.

Section 2865(b) of title 10, United States Code, is amended by striking "through the end of the fiscal year following the fiscal year for which the funds were appropriated" and inserting "until expended".

Subtitle B—Real Property and Facilities Administration

SEC. 2811. AGREEMENTS TO LIMIT ENCROACHMENTS AND OTHER CONSTRAINTS ON MILITARY TRAINING, TESTING, AND OPERATIONS.

(a) IN GENERAL.—Chapter 159 of title 10, United States Code, is amended by inserting after section 2684 the following new section:

"§ 2684a. Agreements to limit encroachments and other constraints on military training, testing, and operations

"(a) AGREEMENTS AUTHORIZED.—The Secretary of Defense or the Secretary of a military department may enter into an agreement with an eligible entity described in subsection (b) to address the use or development of real property in the vicinity of a military installation for purposes of—

"(1) limiting any development or use of the property that would be incompatible with the mission of the installation; or

"(2) preserving habitat on the property in a manner that—

"(A) is compatible with environmental requirements; and

"(B) may eliminate or relieve current or anticipated environmental restrictions that would or might otherwise restrict, impede, or otherwise interfere, whether directly or indirectly, with current or anticipated military training, testing, or operations on the installation.

"(b) ELIGIBLE ENTITIES.—An agreement under this section may be entered into with any of the following:

"(1) A State or political subdivision of a State.

"(2) A private entity that has as its stated principal organizational purpose or goal the conservation, restoration, or preservation of land and natural resources, or a similar purpose or goal, as determined by the Secretary concerned.

"(c) INAPPLICABILITY OF CERTAIN CONTRACT REQUIREMENTS.—Chapter 63 of title 31 shall not apply to any agreement entered into under this section.

"(d) ACQUISITION AND ACCEPTANCE OF PROPERTY AND INTERESTS.—(1) An agreement with an eligible entity under this section may provide for—

"(A) the acquisition by the entity of all right, title, and interest in and to any real property, or any lesser interest in the property, as may be appropriate for purposes of this section; and

"(B) the sharing by the United States and the entity of the acquisition costs.

"(2) Property or interests may not be acquired pursuant to the agreement unless the owner of the property or interests consents to the acquisition.

"(3) The agreement shall require the entity to transfer to the United States, upon the request of the Secretary concerned, all or a portion of the property or interest acquired under the agreement or a lesser interest therein. The Secretary shall limit such transfer re-

quest to the minimum property or interests necessary to ensure that the property concerned is developed and used in a manner appropriate for purposes of this section.

"(4) The Secretary concerned may accept on behalf of the United States any property or interest to be transferred to the United States under the agreement.

"(5) For purposes of the acceptance of property or interests under the agreement, the Secretary concerned may accept an appraisal or title documents prepared or adopted by a non-Federal entity as satisfying the applicable requirements of section 301 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4651) or section 3111 of title 40, if the Secretary concerned finds that the appraisal or title documents substantially comply with the requirements.

"(e) ACQUISITION OF WATER RIGHTS.—The authority of the Secretary concerned to enter into an agreement under this section for the acquisition of real property (or an interest therein) includes the authority to support the purchase of water rights from any available source when necessary to support or protect the mission of a military installation.

"(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary concerned may require such additional terms and conditions in an agreement under this section as the Secretary considers appropriate to protect the interests of the United States.

"(g) FUNDING.—(1) Except as provided in paragraph (2), funds authorized to be appropriated for operation and maintenance of the Army, Navy, Marine Corps, Air Force, or Defense-wide activities may be used to enter into agreements under this section.

"(2) In the case of a military installation operated primarily with funds authorized to be appropriated for research, development, test, and evaluation, funds authorized to be appropriated for the Army, Navy, Marine Corps, Air Force, or Defense-wide activities for research, development, test, and evaluation may be used to enter into agreements under this section with respect to the installation.

"(h) DEFINITIONS.—In this section:

"(1) The term 'Secretary concerned' means the Secretary of Defense or the Secretary of a military department.

"(2) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, and the territories and possessions of the United States.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2684 the following new item:

"2684a. Agreements to limit encroachments and other constraints on military training, testing, and operations.".

SEC. 2812. CONVEYANCE OF SURPLUS REAL PROPERTY FOR NATURAL RESOURCE CONSERVATION PURPOSES.

(a) CONVEYANCE AUTHORITY.—(1) Chapter 159 of title 10, United States Code, is amended by inserting after section 2694 the following new section:

"§ 2694a. Conveyance of surplus real property for natural resource conservation

"(a) AUTHORITY TO CONVEY.—The Secretary of a military department may convey to an eligible entity described in subsection (b) any surplus real property that—

"(1) is under the administrative control of the Secretary;

"(2) is suitable and desirable for conservation purposes;

"(3) has been made available for public benefit transfer for a sufficient period of time to potential claimants; and

"(4) is not subject to a pending request for transfer to another Federal agency or for conveyance to any other qualified recipient for public benefit transfer under the real property disposal processes and authorities under subtitle I of title 40.

"(b) ELIGIBLE ENTITIES.—The conveyance of surplus real property under this section may be made to any of the following:

"(1) A State or political subdivision of a State.

"(2) A nonprofit organization that exists for the primary purpose of conservation of natural resources on real property.

"(c) REVISIONARY INTEREST AND OTHER DEED REQUIREMENTS.—(1) The deed of conveyance of any surplus real property conveyed under this section shall require the property to be used and maintained for the conservation of natural resources in perpetuity. If the Secretary concerned determines at any time that the property is not being used or maintained for such purpose, then, at the option of the Secretary, all or any portion of the property shall revert to the United States.

"(2) The deed of conveyance may permit the recipient of the property—

"(A) to convey the property to another eligible entity, subject to the approval of the Secretary concerned and subject to the same covenants and terms and conditions as provided in the deed from the United States; and

"(B) to conduct incidental revenue-producing activities on the property that are compatible with the use of the property for conservation purposes.

"(3) The deed of conveyance may contain such additional terms, reservations, restrictions, and conditions as the Secretary concerned considers appropriate to protect the interests of the United States.

"(d) RELEASE OF COVENANTS.—With the concurrence of the Secretary of Interior, the Secretary concerned may grant a release from a covenant included in the deed of conveyance of real property conveyed under this section, subject to the condition that the recipient of the property pay the fair market value, as determined by the Secretary concerned, of the property at the time of the release of the covenant. The Secretary concerned may reduce the amount required to be paid under this subsection to account for the value of the natural resource conservation benefit that has accrued to the United States during the period the covenant was in effect, if the benefit was not taken into account in determining the original consideration for the conveyance.

"(e) CONGRESSIONAL NOTIFICATION.—The Secretary concerned may not approve of the reconveyance of real property under subsection (c) or grant the release of a covenant under subsection (d) until the Secretary notifies the appropriate committees of Congress

of the proposed reconveyance or release and a period of 21 days elapses from the date the notification is received by the committees.

"(f) LIMITATIONS.—The conveyance of real property under this section shall not be used as a condition of allowing any defense activity under any Federal, State, or local permitting or review process. The Secretary concerned may make the conveyance, with the restrictions specified in subsection (c), to establish a mitigation bank, but only if the establishment of the mitigation bank does not occur in order to satisfy any condition for permitting military activity under a Federal, State, or local permitting or review process.

"(g) CONSIDERATION.—In fixing the consideration for the conveyance of real property under this section, or in determining the amount of any reduction of the amount to be paid for the release of a covenant under subsection (d), the Secretary concerned shall take into consideration any benefit that has accrued or may accrue to the United States from the use of such property for the conservation of natural resources.

"(h) RELATION TO OTHER CONVEYANCE AUTHORITIES.—(1) The Secretary concerned may not make a conveyance under this section of any real property to be disposed of under a base closure law in a manner that is inconsistent with the requirements and conditions of the base closure law.

"(2) In the case of real property on Guam, the Secretary concerned may not make a conveyance under this section unless the Government of Guam has been first afforded the opportunity to acquire the real property as authorized by section 1 of Public Law 106–504 (114 Stat. 2309).

"(i) DEFINITIONS.—In this section:

"(1) The term 'appropriate committees of Congress' has the meaning given such term in section 2801 of this title.

"(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 of 1988 (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).

"(D) Any other similar authority for the closure or realignment of military installations that is enacted after the date of the enactment of the Bob Stump National Defense Authorization Act for Fiscal Year 2003.

"(3) The term 'Secretary concerned' means the Secretary of a military department.

"(4) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, and the territories and possessions of the United States.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2694 the following new item:

"2694a. Conveyance of surplus real property for natural resource conservation.".

(b) ACCEPTANCE OF FUNDS TO COVER ADMINISTRATIVE EXPENSES.—Section 2695(b) of such title is amended by adding at the end the following new paragraph:

"(5) The conveyance of real property under section 2694a of this title.".

(c) AGREEMENTS WITH NONPROFIT NATURAL RESOURCE CONSERVATION ORGANIZATIONS.—Section 2701(d) of such title is amended—

(1) in the subsection heading, by striking "AGENCIES" and inserting "ENTITIES";

(2) in paragraph (1)—

(A) by striking "with any State or local government agency, or with any Indian tribe," and inserting "any State or local government agency, any Indian tribe, or any nonprofit conservation organization"; and

(B) by striking "the agency" and inserting "the agency, Indian tribe, or organization"; and

(3) by striking paragraph (4), as redesignated by section 311(2) of this Act, and inserting the following new paragraph:

"(4) DEFINITIONS.—In this subsection:

"(A) The term 'Indian tribe' has the meaning given such term in section 101(36) of CERCLA (42 U.S.C. 9601(36)).

"(B) The term 'nonprofit conservation organization' means any non-governmental nonprofit organization whose primary purpose is conservation of open space or natural resources.".

SEC. 2813. MODIFICATION OF DEMONSTRATION PROGRAM ON REDUCTION IN LONG-TERM FACILITY MAINTENANCE COSTS.

(a) ADMINISTRATOR OF PROGRAM.—Subsection (a) of section 2814 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1310; 10 U.S.C. 2809 note) is amended by striking "Secretary of the Army" and inserting "Secretary of Defense or the Secretary of a military department".

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

"(b) CONTRACTS.—(1) Not more than 12 contracts per military department may contain requirements referred to in subsection (a) for the purpose of the demonstration program.

"(2) The demonstration program may only cover contracts entered into on or after the date of the enactment of the Bob Stump National Defense Authorization Act for Fiscal Year 2003, except that the Secretary of the Army shall treat any contract containing requirements referred to in subsection (a) that was entered into under the authority in such subsection between that date and December 28, 2001, as a contract for the purpose of the demonstration program.".

(c) REPORTING REQUIREMENTS.—Subsection (d) of such section is amended by striking "Secretary of the Army" and inserting "Secretary of Defense".

(d) FUNDING.—(1) Subsection (f) of such section is amended by striking "the Army" and inserting "the military departments or defense-wide".

(2) The amendment made by paragraph (1) shall not affect the availability for the purpose of the demonstration program under section 2814 of the Military Construction Authorization Act for Fiscal Year 2002, as amended by this section, of any amounts authorized to be appropriated before the date of the enactment of this Act for the Army for military construction that have been obligated for the demonstration program, but not expended, as of that date.

SEC. 2814. EXPANDED AUTHORITY TO TRANSFER PROPERTY AT MILITARY INSTALLATIONS TO BE CLOSED TO PERSONS WHO CONSTRUCT OR PROVIDE MILITARY FAMILY HOUSING.

(a) 1988 LAW.—Section 204(e)(1) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended by striking the last sentence.

(b) 1990 LAW.—Section 2905(f)(1) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended by striking the last sentence.

Subtitle C—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2821. TRANSFER OF JURISDICTION, FORT MCCLELLAN, ALABAMA, TO ESTABLISH MOUNTAIN LONGLEAF NATIONAL WILDLIFE REFUGE.

(a) TRANSFER REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Army shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior a parcel of real property at Fort McClellan, Alabama, consisting of approximately 7,600 acres, which is described as the "acquisition area" in a memorandum of agreement between the Secretaries numbered 1448–40181–00–K–014.

(b) ESTABLISHMENT AND MANAGEMENT OF REFUGE.—(1) The Secretary of the Interior shall establish on the real property transferred under subsection (a) the Mountain Longleaf National Wildlife Refuge to enhance, manage, and protect the unique mountain longleaf pine ecosystem on the property.

(2) The Secretary of Interior shall manage the Mountain Longleaf National Wildlife Refuge in a manner that—

(A) conserves and enhances populations of fish, wildlife, and plants in the Refuge, including migratory birds and species that are threatened or endangered, with particular emphasis on the protection of the mountain longleaf pine plant ecosystem;

(B) protects and enhances the quality of aquatic habitat in the Refuge;

(C) provides, in coordination with the Alabama Department of Conservation and Natural Resources, the public with recreational opportunities, including hunting, fishing, wildlife observation, and photography;

(D) provides opportunities for scientific research and education on land use and environmental law; and

(E) is consistent with environmental restoration efforts conducted by the Secretary of the Army on the Refuge or on lands adjacent to the Refuge.

(c) ENVIRONMENTAL RESTORATION.—(1) The Secretary of the Army shall continue to be responsible for unexploded ordnance, discarded military munitions, and munitions constituents on the real property transferred under subsection (a) and shall continue to follow a remediation process in accordance with the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(2) The Secretary of the Army shall appropriately factor the management directives for the Mountain Longleaf National Wildlife Refuge, as described in subsection (b), into the remedy selection process for the property transferred under subsection (a).

(d) RELATION TO OTHER ENVIRONMENTAL LAWS.—Nothing in this section shall relieve, and no action taken under this section may relieve, the Secretary of the Army or the Secretary of the Interior, or any other person from any liability or other obligation under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.), or any other Federal or State law.

(e) ASSISTANCE.—The Secretary of the Army may provide up to $500,000 from the funds in the Base Realignment and Closure Account 1990 to the Secretary of Interior to facilitate the establishment of the Mountain Longleaf National Wildlife Refuge and to support environmental research at the Refuge during the first two years of the operation of the Refuge.

SEC. 2822. LAND CONVEYANCES, LANDS IN ALASKA NO LONGER REQUIRED FOR NATIONAL GUARD PURPOSES.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to an eligible entity described in subsection (b) all right, title, and interest of the United States in and to any parcel of real property, including any improvements thereon, in the State of Alaska described in subsection (c) if the Secretary determines the conveyance would be in the public interest.

(b) ELIGIBLE RECIPIENTS.—The following entities shall be eligible to receive real property under subsection (a):

(1) The State of Alaska.

(2) A governmental entity in the State of Alaska.

(3) A Native Corporation (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)).

(4) The Metlakatla Indian Community.

(c) COVERED PROPERTY.—Subsection (a) applies to real property located in the State of Alaska that—

(1) is under the jurisdiction of the Department of the Army and, before December 2, 1980, was under such jurisdiction for the use of the Alaska National Guard;

(2) is located in a unit of the National Wildlife Refuge System designated in the Alaska National Interest Lands Conservation Act (Public Law 96–487; 16 U.S.C. 668dd note);

(3) is excess to the needs of the Alaska National Guard and the Department of Defense; and

(4) the Secretary determines that—

(A) the anticipated cost to the United States of retaining the property exceeds the value of such property; or

(B) the condition of the property makes it unsuitable for retention by the United States.

(d) CONSIDERATION.—The conveyance of real property under this section shall, at the election of the Secretary, be for no consideration or for consideration in an amount determined by the Secretary to be appropriate under the circumstances.

(e) USE OF CONSIDERATION.—If consideration is received for the conveyance of real property under subsection (a), the Secretary may use the amounts received, in such amounts as are provided in appropriations Acts, to pay for—

(1) the cost of a survey described in subsection (f) with respect to the property;

(2) the cost of carrying out any environmental assessment, study, or analysis, and any remediation, that may be required under Federal law, or is considered appropriate by the Secretary, in connection with the property or the conveyance of the property; and

(3) any other costs incurred by the Secretary in conveying the property.

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of any real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with a conveyance of real property under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2823. LAND CONVEYANCE, SUNFLOWER ARMY AMMUNITION PLANT, KANSAS.

(a) CONVEYANCE AUTHORIZED.—The Administrator of General Services may convey to the Johnson County Park and Recreation District, Kansas (in this section referred to as the "District"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, at the Sunflower Army Ammunition Plant in the State of Kansas consisting of approximately 2,000 acres.

(b) BASIS OF CONVEYANCE.—The conveyance under this section shall be made in a manner consistent with section 550(e) of title 40, United States Code, for the purpose of permitting the District to use the conveyed property for public recreational purposes.

(c) DESCRIPTION OF PROPERTY.—The exact acreage, location, and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Administrator. The cost of such legal description, survey, or both shall be borne by the District.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States.

(e) APPLICATION OF SECTION.—If the Administrator and the District reach an agreement regarding the conveyance of the property described in subsection (a) before January 31, 2003, the authority provided by this section shall not take effect.

SEC. 2824. LAND CONVEYANCES, BLUEGRASS ARMY DEPOT, RICHMOND, KENTUCKY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to Madison County, Kentucky (in this section referred to as the "County"), all right, title, and interest of

the United States in and to the following parcels of real property, including any improvements thereon, at the Bluegrass Army Depot, Richmond, Kentucky:

(1) A parcel consisting of approximately 10 acres.

(2) A parcel consisting of approximately 3 acres, including the building known as Quarters 29.

(b) CONDITIONS OF CONVEYANCE.—(1) The Secretary may not convey the parcel of real property referred to in subsection (a)(1) unless the County agrees to use the property to facilitate the construction of a veterans' center on the property by the State of Kentucky and the Secretary determines that the State has appropriated adequate funds for the construction of the veterans' center.

(2) The Secretary may not convey the parcel of real property referred to in subsection (a)(2) unless the County agrees to utilize the property for historical preservation and education purposes.

(c) REVERSIONARY INTEREST.—(1) At the end of the seven-year period beginning on the date on which the Secretary makes the conveyance of the parcel of real property referred to in subsection (a)(1), if the Secretary determines that a veterans' center is not in operation on the conveyed real property, then, at the option of the Secretary, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property.

(2) If the Secretary determines at any time that the parcel of real property referred to in subsection (a)(2) has ceased to be utilized for the purposes specified in subsection (b)(2), then, at the option of the Secretary, all right, title, and interest in and to the property shall revert to the United States, and the United States shall have the right of immediate entry onto the property.

(3) Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Secretary may require the County to reimburse the Secretary for the costs incurred by the Secretary to carry out the conveyances under subsection (a), including survey costs, costs related to environmental documentation (other than the environmental baseline survey), and other administrative costs related to the conveyance.

(2) The Secretary shall require the County to reimburse the Secretary for any excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyances, if the excess costs were incurred as a result of a request by the County. In this paragraph, the term "excess costs" means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyances.

(3) Any reimbursement received under this subsection shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyances. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a)

shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2825. LAND CONVEYANCE, FORT CAMPBELL, KENTUCKY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Hopkinsville, Kentucky (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property at Fort Campbell, Kentucky, consisting of approximately 50 acres and containing an abandoned railroad spur for the purpose of permitting the City to use the property for storm water management, recreation, transportation, and other public purposes.

(b) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Secretary may require the City to reimburse the Secretary for the costs incurred by the Secretary to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation (other than the environmental baseline survey), and other administrative costs related to the conveyance.

(2) The Secretary shall require the City to reimburse the Secretary for any excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyance, if the excess costs were incurred as a result of a request by the City. In this paragraph, the term "excess costs" means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance.

(3) Any reimbursement received under this subsection shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(c) DESCRIPTION OF PROPERTY.—The acreage of the real property to be conveyed under subsection (a) has been determined by the Secretary through a legal description outlining such acreage. No further survey of the property is required before the conveyance is made.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2826. LAND CONVEYANCE, ARMY RESERVE TRAINING CENTER, BUFFALO, MINNESOTA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Buffalo Independent School District 877 of Buffalo, Minnesota (in this section referred to as the "School District"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 800 8th Street, N.E., in Buffalo, Minnesota, and contains a former Army Reserve Training Center, which is being

used by the School District as the site of the Phoenix Learning Center.

(b) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Secretary may require the School District to reimburse the Secretary for the costs incurred by the Secretary to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation (other than the environmental baseline survey), and other administrative costs related to the conveyance.

(2) The Secretary shall require the School District to reimburse the Secretary for any excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyance, if the excess costs were incurred as a result of a request by the School District. In this paragraph, the term "excess costs" means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance.

(3) Any reimbursement received under this subsection shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the School District.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2827. LAND CONVEYANCE, FORT MONMOUTH, NEW JERSEY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey by sale all right, title, and interest of the United States in and to a parcel of real property, consisting of approximately 63.95 acres of military family housing known as Howard Commons, that comprises a portion of Fort Monmouth, New Jersey.

(b) COMPETITIVE BID REQUIREMENT.—The Secretary shall use competitive procedures for the sale authorized by subsection (a).

(c) CONSIDERATION.—(1) As consideration for the conveyance authorized by subsection (a), the recipient shall provide the United States, whether by cash payment, in-kind contribution, or a combination thereof, an amount that is not less than the fair market value, as determined by the Secretary, of the property conveyed under such subsection.

(2) In-kind consideration under paragraph (1) may include the construction of replacement military family housing or the rehabilitation of existing military family housing at Fort Monmouth, New Jersey, as agreed upon by the Secretary.

(3) If the value of in-kind consideration to be provided under this subsection exceeds $1,500,000, the Secretary may not accept such consideration until after the end of the 21-day period beginning on the date the Secretary notifies the congressional defense committees of the decision of the Secretary to accept in-kind consideration in excess of that amount.

(4) Any proceeds received by the Secretary under this subsection and not used to construct or rehabilitate such military family housing shall be deposited in the special account in the Treasury established pursuant to section 572(b) of title 40, United States Code.

(d) EFFECT OF TRANSFER OF ADMINISTRATIVE JURISDICTION.—If the real property authorized to be conveyed by this section is transferred to the administrative jurisdiction of the Administrator of General Services, the Administrator, rather than the Secretary, shall have the authority to convey such property under this section.

(e) DESCRIPTION OF PARCEL.—The exact acreage and legal description of the parcel to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the recipient of the parcel.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2828. LAND CONVEYANCE, FORT BLISS, TEXAS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the County of El Paso, Texas (in this section referred to as the "County"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 44 acres at Fort Bliss, Texas, for the purpose of facilitating the construction by the State of Texas of a nursing home for veterans of the Armed Forces.

(b) REVERSIONARY INTEREST.—(1) At the end of the seven-year period beginning on the date on which the Secretary makes the conveyance under subsection (a), if the Secretary determines that a nursing home for veterans is not in operation on the conveyed real property, then, at the option of the Secretary—

(A) all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States; and

(B) the United States shall have the right of immediate entry onto the property.

(2) Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(c) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Secretary may require the County to reimburse the Secretary for the costs incurred by the Secretary to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation (other than the environmental baseline survey), and other administrative costs related to the conveyance.

(2) The Secretary shall require the County to reimburse the Secretary for any excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyance, if the excess costs were incurred as a result of a request by the County. In this paragraph, the term "excess costs" means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance.

(3) Any reimbursement received under this subsection shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account,

and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2829. LAND CONVEYANCE, FORT HOOD, TEXAS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Veterans Land Board of the State of Texas (in this section referred to as the "Board") all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 174 acres at Fort Hood, Texas, for the purpose of permitting the Board to establish a State-run cemetery for veterans of the Armed Forces.

(b) REVERSIONARY INTEREST.—(1) At the end of the seven-year period beginning on the date on which the Secretary makes the conveyance under subsection (a), if the Secretary determines that a cemetery for veterans is not in operation on the conveyed real property, then, at the option of the Secretary—

(A) all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States; and

(B) the United States shall have the right of immediate entry onto the property.

(2) Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(c) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Secretary may require the Board to reimburse the Secretary for the costs incurred by the Secretary to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation (other than the environmental baseline survey), and other administrative costs related to the conveyance.

(2) The Secretary shall require the Board to reimburse the Secretary for any excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyance, if the excess costs were incurred as a result of a request by the Board. In this paragraph, the term "excess costs" means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance.

(3) Any reimbursement received under this subsection shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a)

shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Board.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2830. LAND CONVEYANCES, ENGINEER PROVING GROUND, FORT BELVOIR, VIRGINIA.

(a) CONVEYANCE TO FAIRFAX COUNTY, VIRGINIA, AUTHORIZED.—(1) The Secretary of the Army may convey, without consideration, to Fairfax County, Virginia, all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 135 acres, located in the northwest portion of the Engineer Proving Ground at Fort Belvoir, Virginia, in order to permit the County to use such property for park and recreational purposes.

(2) The parcel of real property authorized to be conveyed by paragraph (1) is generally described as that portion of the Engineer Proving Ground located west of Accotink Creek, east of the Fairfax County Parkway, and north of Cissna Road to the northern boundary, but excludes a parcel of land consisting of approximately 15 acres located in the southeast corner of such portion of the Engineer Proving Ground.

(3) The land excluded under paragraph (2) from the parcel of real property authorized to be conveyed by paragraph (1) shall be reserved for an access road to be constructed in the future.

(b) CONVEYANCE OF BALANCE OF PROPERTY AUTHORIZED.—The Secretary may convey to any competitively selected grantee all right, title, and interest of the United States in and to the real property, including any improvements thereon, at the Engineering Proving Ground not conveyed under the authority in subsection (a).

(c) CONSIDERATION.—(1) As consideration for the conveyance authorized by subsection (b), the grantee shall provide the United States, whether by cash payment, in-kind contribution, or a combination thereof, an amount that is not less than the fair market value, as determined by the Secretary, of the property conveyed under such subsection.

(2) In-kind consideration under paragraph (1) may include the maintenance, improvement, alteration, repair, remodeling, restoration (including environmental restoration), or construction of facilities for the Department of the Army at Fort Belvoir or at any other site or sites designated by the Secretary.

(3) If in-kind consideration under paragraph (1) includes the construction of facilities, the grantee shall also convey to the United States—

(A) title to such facilities, free of all liens and other encumbrances; and

(B) if the United States does not have fee simple title to the land underlying such facilities, convey to the United States all right, title, and interest in and to such lands not held by the United States.

(4) If the value of in-kind consideration to be provided under paragraph (1) exceeds $1,500,000, the Secretary may not accept such consideration until after the end of the 21-day period beginning on the date the Secretary notifies the congressional defense committees

of the decision of the Secretary to accept in-kind consideration in excess of that amount.

(5) The Secretary shall deposit any cash received as consideration under this subsection in the special account established pursuant to section 572(b) of title 40, United States Code.

(d) EFFECT OF TRANSFER OF ADMINISTRATIVE JURISDICTION.—If all or a portion of the real property authorized to be conveyed by this section is transferred to the administrative jurisdiction of the Administrator of General Services, the Administrator, rather than the Secretary of the Army, shall have the authority to convey such property under this section.

(e) REPEAL OF SUPERSEDED AUTHORITY.—Section 2821 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1658), as amended by section 2854 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 568), is repealed.

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsections (a) and (b) shall be determined by surveys satisfactory to the Secretary. The cost of each such survey shall be borne by the grantee.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under subsections (a) and (b) as the Secretary considers appropriate to protect the interests of the United States.

PART II—NAVY CONVEYANCES

SEC. 2831. LAND CONVEYANCE, MARINE CORPS AIR STATION, MIRAMAR, SAN DIEGO, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey to the ENPEX Corporation, Incorporated (in this section referred to as the "Corporation"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, at Marine Corps Air Station, Miramar, San Diego, California, consisting of approximately 60 acres and appurtenant easements and any other necessary interests in real property for the purpose of permitting the Corporation to use the property for the production of electric power and related ancillary activities.

(b) CONSIDERATION.—(1) As consideration for the conveyance under subsection (a), the Corporation shall—

(A) convey to the United States all right, title, and interest of the Corporation in and to a parcel of real property in the San Diego area that is suitable for military family housing, as determined by the Secretary; and

(B) if the parcel conveyed under subparagraph (A) does not contain housing units suitable for use as military family housing, design and construct such military family housing units and supporting facilities as the Secretary considers appropriate.

(2) The total combined value of the real property and military family housing conveyed by the Corporation under this subsection shall be at least equal to the fair market value of the real property conveyed to the Secretary under subsection (a), including any severance costs arising from any diminution of the value or utility of other property at Marine Corps Air Station, Miramar, attributable

to the prospective future use of the property conveyed under subsection (a).

(3) The Secretary shall determine the fair market value of the real property to be conveyed under subsection (a) and the fair market value of the consideration to be provided under this subsection. Such determinations shall be final.

(c) REVERSIONARY INTEREST.—(1) Subject to paragraph (2), if the Secretary determines at any time that the property conveyed under subsection (a) is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert, at the option of the Secretary, to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(2) If Marine Corps Air Station, Miramar, is no longer used as a Federal aviation facility, paragraph (1) shall no longer apply, and the Secretary shall release, without consideration, the reversionary interest retained by the United States under such paragraph.

(d) ADMINISTRATIVE EXPENSES.—(1) The Corporation shall make funds available to the Secretary to cover costs to be incurred by the Secretary, or reimburse the Secretary for costs incurred, to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation, and other administrative costs related to the conveyance. This paragraph does not apply to costs associated with the removal of explosive ordnance from the parcel and environmental remediation of the parcel.

(2) Section 2695(c) of title 10 United States Code, shall apply to any amount received under paragraph (1). If the amounts received in advance under such paragraph exceed the costs actually incurred by the Secretary, the Secretary shall refund the excess amount to the Corporation.

(e) DESCRIPTIONS OF PROPERTY.—The exact acreage and legal descriptions of the real property to be conveyed by the Secretary under subsection (a) and the property to be conveyed by the Corporation under subsection (b) shall be determined by a survey satisfactory to the Secretary.

(f) EXEMPTIONS.—Section 2696 of title 10, United States Code, does not apply to the conveyance authorized by subsection (a), and the authority to make the conveyance shall not be considered to render the property excess or underutilized.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2832. MODIFICATION OF AUTHORITY FOR LAND TRANSFER AND CONVEYANCE, NAVAL SECURITY GROUP ACTIVITY, WINTER HARBOR, MAINE.

(a) MODIFICATION OF CONVEYANCE AUTHORITY FOR COREA AND WINTER HARBOR PROPERTIES.—Subsection (b) of section 2845 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1319) is amended to read as follows:

"(b) CONVEYANCE AND TRANSFER OF COREA AND WINTER HARBOR PROPERTIES AUTHORIZED.—(1) The Secretary of the Navy may convey, without consideration, to the State of Maine, any political subdivision of the State of Maine, or any tax-supported agency in the State of Maine, all right, title, and interest of the United States in and to parcels of real property, including any improvements thereon and appurtenances thereto, comprising the former facilities of the Naval Security Group Activity, Winter Harbor, Maine, as follows:

"(A) The parcel consisting of approximately 50 acres known as the Corea Operations Site.

"(B) Three parcels consisting of approximately 23 acres and comprising family housing facilities.

"(2) The Secretary of the Navy may transfer to the administrative jurisdiction of the Secretary of the Interior a parcel of real property consisting of approximately 404 acres at the former Naval Security Group Activity, which is the balance of the real property comprising the Corea Operations Site. The Secretary of the Interior shall administer the property transferred under this paragraph as part of the National Wildlife Refuge System.".

(b) EXEMPTION OF MODIFIED CONVEYANCES FROM FEDERAL SCREENING REQUIREMENT.—Such section is further amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

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

"(g) EXEMPTION FROM FEDERAL SCREENING.—Any conveyance authorized by subsection (b)(1) is exempt from the requirement to screen the property concerned for further Federal use pursuant to section 2696 of title 10, United States Code.".

(c) CONFORMING AMENDMENTS.—Subsections (c), (d), (e), (f), (h) (as redesignated), and (i) (as redesignated) of such section are amended by striking "subsection (b)" each place it appears and inserting "subsection (b)(1)".

SEC. 2833. LAND CONVEYANCE, WESTOVER AIR RESERVE BASE, MASSACHUSETTS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the City of Chicopee, Massachusetts (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including 133 housing units and other improvements thereon, consisting of approximately 30.38 acres located at Westover Air Reserve Base in Chicopee, Massachusetts, for the purpose of permitting the City to use the property for economic development and other public purposes.

(b) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Secretary may require the City to reimburse the Secretary for the costs incurred by the Secretary to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation (other than the environmental baseline survey), and other administrative costs related to the conveyance.

(2) The Secretary shall require the City to reimburse the Secretary for any excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyance, if the

excess costs were incurred as a result of a request by the City. In this paragraph, the term "excess costs" means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance.

(3) Any reimbursement received under this subsection shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2834. LAND CONVEYANCE, NAVAL STATION, NEWPORT, RHODE ISLAND.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey to the State of Rhode Island, or any political subdivision thereof, any or all right, title, and interest of the United States in and to a parcel of real property, together with improvements thereon, consisting of approximately 34 acres located in Melville, Rhode Island, and known as the Melville Marina site.

(b) CONSIDERATION.—(1) As consideration for the conveyance of real property under subsection (a), the conveyee shall pay the United States an amount equal to the fair market value of the real property, as determined by the Secretary based on an appraisal of the real property acceptable to the Secretary.

(2) The consideration received under paragraph (1) shall be deposited in the account established pursuant to section 572(b) of title 40, United States Code, and shall be available as provided for in that section.

(c) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Secretary may require the conveyee of the real property under subsection (a) to reimburse the Secretary for any costs incurred by the Secretary in carrying out the conveyance.

(2) Any reimbursement for costs that is received under paragraph (1) shall be credited to the fund or account providing funds for such costs. Amounts so credited shall be merged with amounts in such fund or account, and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2835. LAND EXCHANGE AND BOUNDARY ADJUSTMENTS, MARINE CORPS BASE, QUANTICO, AND PRINCE WILLIAM FOREST PARK, VIRGINIA.

(a) LAND EXCHANGE.—Administrative jurisdiction over certain lands at Prince William Forest Park, Virginia, and at the Marine Corps Base, Quantico, Virginia, shall be adjusted through the following actions:

(1) The Secretary of the Navy shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior approximately 352 acres of land, depicted as "Lands Transferred from Department of the Navy to Department of the Interior" on the map entitled "Boundary Adjustments Between Prince William Forest Park and Marine Corps Base, Quantico", numbered 860/80283, and dated May 1, 2002.

(2) The Secretary of the Interior shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Navy approximately 3,398 acres of land, depicted as "Lands Transferred from Department of the Interior to Department of the Navy" on the map described in paragraph (1).

(b) RETENTION OF CERTAIN LAND.—The Secretary of the Interior shall continue to administer approximately 1,346 acres of land, depicted as "Lands Retained by Department of the Interior" on the map described in subsection (a)(1). Effective on the date of the enactment of this Act, the special use permit dated March 16, 1972, which provides for the use of part of this land by the Marine Corps, shall no longer be in effect.

(c) SUBSEQUENT DISPOSAL OF LAND.—(1) If any of the land described in subsection (a)(1) or (b) is determined to be excess to the needs of the Department of the Interior, the Secretary of the Interior shall offer to transfer, without reimbursement, administrative jurisdiction over the land to the Secretary of the Navy.

(2) If any of the land described in subsection (a)(2) is determined to be excess to the needs of the Department of the Navy, the Secretary of the Navy shall offer to transfer, without reimbursement, administrative jurisdiction over the land to the Secretary of the Interior.

(3) If an offer made under this subsection is not accepted within 90 days, the land covered by the offer may be disposed of in accordance with the laws and regulations governing the disposal of excess property.

(d) BOUNDARY MODIFICATION AND ADMINISTRATION.—(1) The boundaries of Prince William Forest Park and the Marine Corps Base, Quantico, shall be modified to reflect the land exchanges or disposals made under this section.

(2) Land transferred to the Secretary of the Interior under subsection (a)(1) or retained under subsection (b) shall be administered as part of Prince William Forest Park in accordance with applicable laws and regulations.

(e) AVAILABILITY OF MAP.—The map described in subsection (a)(1) shall be on file and available for public inspection in the appropriate offices of the National Park Service, Department of the Interior.

(f) CONFORMING AMENDMENTS.—The Act of June 22, 1948 (Chapter 596; 62 Stat. 571), is amended—

(1) by striking the first section and inserting the following new section:

"SECTION 1. PRINCE WILLIAM FOREST PARK, VIRGINIA.

"Chopawamsic Park, which was established in 1933 as Chopawamsic Recreational Demonstration Area, shall be known as 'Prince William Forest Park'.";

(2) in section 2—

(A) by striking "That all" and inserting "All"; and

(B) by striking "the Chopawamsic Park" and inserting "Prince William Forest Park"; and

(3) in section 3—

(A) by striking "That the Secretary of the Interior and the Secretary of the Navy be, and they are hereby" and inserting "The Secretary of the Interior is"; and

(B) by striking "the Chopawamsic Park" both places it appears and inserting "Prince William Forest Park".

PART III—AIR FORCE CONVEYANCES

SEC. 2841. MODIFICATION OF LAND CONVEYANCE, LOS ANGELES AIR FORCE BASE, CALIFORNIA.

Section 2861(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–433) is amended in the first sentence by striking "10 years" and inserting "30 years".

SEC. 2842. LAND EXCHANGE, BUCKLEY AIR FORCE BASE, COLORADO.

(a) EXCHANGE AUTHORIZED.—For the purpose of facilitating the acquisition of real property suitable for the construction of military family housing for Buckley Air Force Base, Colorado, the Secretary of the Air Force may convey to the State of Colorado (in this section referred to as the "State") all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of all or part of the Watkins Communications Site in Arapahoe County, Colorado.

(b) CONSIDERATION.—(1) As consideration for the conveyance authorized by subsection (a) the State shall convey to the United States all right, title, and interest of the State in and to a parcel of real property, including improvements thereon, consisting of approximately 41 acres that is owned by the State and is contiguous to Buckley Air Force Base, Colorado.

(2) The Secretary shall have jurisdiction over the real property conveyed under paragraph (1).

(3) Upon conveyance to the United States under paragraph (1), the real property conveyed under that paragraph is withdrawn from all forms of appropriation under the general land laws, including the mining laws and mineral and geothermal leasing laws.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcels of real property to be conveyed under this section shall be determined by surveys satisfactory to the Secretary.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2843. LAND CONVEYANCES, WENDOVER AIR FORCE BASE AUXILIARY FIELD, NEVADA.

(a) CONVEYANCES AUTHORIZED TO WEST WENDOVER, NEVADA.—(1) The Secretary of the Interior may convey, without consideration, to the City of West Wendover, Nevada, all right, title, and interest of the United States in and to the following:

(A) The lands at Wendover Air Force Base Auxiliary Field, Nevada, identified in Easement No. AFMC–HL–2–00–334 that are determined by the Secretary of the Air Force to be no longer required.

(B) The lands at Wendover Air Force Base Auxiliary Field identified for disposition on the map entitled "West Wendover, Nevada–Excess", dated January 5, 2001, that are determined by the Secretary of the Air Force to be no longer required.

(2) The purposes of the conveyances under this subsection are—

(A) to permit the establishment and maintenance of runway protection zones; and

(B) to provide for the development of an industrial park and related infrastructure.

(3) The map referred to in paragraph (1)(B) shall be on file and available for public inspection in the offices of the Director of the Bureau of Land Management and the Elko District Office of the Bureau of Land Management.

(b) CONVEYANCE AUTHORIZED TO TOOELE COUNTY, UTAH.—(1) The Secretary of the Interior may convey, without consideration, to Tooele County, Utah, all right, title, and interest of the United States in and to the lands at Wendover Air Force Base Auxiliary Field identified in Easement No. AFMC–HL–2–00–318 that are determined by the Secretary of the Air Force to be no longer required.

(2) The purpose of the conveyance under this subsection is to permit the establishment and maintenance of runway protection zones and an aircraft accident potential protection zone as necessitated by continued military aircraft operations at the Utah Test and Training Range.

(c) PHASED CONVEYANCES.—The land conveyances authorized by subsections (a) and (b) may be conducted in phases. To the extent practicable, the first phase of the conveyances should involve at least 3,000 acres.

(d) MANAGEMENT OF CONVEYED LANDS.—The lands conveyed under subsections (a) and (b) shall be managed by the City of West Wendover, Nevada, City of Wendover, Utah, Tooele County, Utah, and Elko County, Nevada—

(1) in accordance with the provisions of an Interlocal Memorandum of Agreement entered into between the Cities of West Wendover, Nevada, and Wendover, Utah, Tooele County, Utah, and Elko County, Nevada, providing for the coordinated management and development of the lands for the economic benefit of both communities; and

(2) in a manner that is consistent with such provisions of the easements referred to subsections (a) and (b) that, as jointly determined by the Secretary of the Air Force and Secretary of the Interior, remain applicable and relevant to the operation and management of the lands following conveyance and are consistent with the provisions of this section.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force and the Secretary of the Interior may jointly require such additional terms and conditions in connection with the conveyances authorized by subsections (a) and (b) as the Secretaries consider appropriate to protect the interests of the United States.

Subtitle D—Other Matters

SEC. 2851. MASTER PLAN FOR USE OF NAVY ANNEX, ARLINGTON, VIRGINIA.

(a) MODIFICATION OF AUTHORITY FOR TRANSFER FROM NAVY ANNEX.—Section 2881 of the Military Construction Authorization Act for Fiscal Year 2000 (113 Stat. 879) is amended—

(1) in subsection (b)(2), as amended by section 2863(f) of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1332), by striking "as a site for—" and all that follows and inserting "as a site for such other memorials or museums that the Secretary considers compatible with Arlington National Cemetery and the Air Force Memorial."; and

(2) in subsection (d)—

(A) in paragraph (2), by striking "the recommendation (if any) of the Commission on the National Military Museum to use a portion of the Navy Annex property as the site for the National Military Museum" and inserting "the use of the acres reserved under subsection (b)(2) for a memorial or museum"; and

(B) in paragraph (4), by striking "the date on which the Commission on the National Military Museum submits to Congress its report under section 2903" and inserting "the date of the enactment of the Bob Stump National Defense Authorization Act for Fiscal Year 2003".

(b) CONSTRUCTION OF AMENDMENTS.—The amendments made by subsection (a) may not be construed to delay the establishment of the United States Air Force Memorial authorized by section 2863 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1330).

SEC. 2852. SALE OF EXCESS TREATED WATER AND WASTEWATER TREATMENT CAPACITY, MARINE CORPS BASE, CAMP LEJEUNE, NORTH CAROLINA.

(a) SALE AUTHORIZED.—The Secretary of the Navy may provide to Onslow County, North Carolina, or any authority or political subdivision organized under the laws of North Carolina to provide public water or sewage services in Onslow County (in this section referred to as the "County"), treated water and wastewater treatment services from facilities at Marine Corps Base, Camp Lejeune, North Carolina, if the Secretary determines that the provision of these utility services is in the public interest and will not interfere with current or future operations at Camp Lejeune.

(b) INAPPLICABILITY OF CERTAIN REQUIREMENTS.—Section 2686 of title 10, United States Code, shall not apply to the provision of public water or sewage services authorized by subsection (a).

(c) CONSIDERATION.—As consideration for the receipt of public water or sewage services under subsection (a), the County shall pay to the Secretary an amount (in cash or in kind) equal to the fair

market value of the services. Amounts received in cash shall be credited to the base operation and maintenance accounts of Camp Lejeune.

(d) EXPANSION.—The Secretary may make minor expansions and extensions and permit connections to the public water or sewage systems of the County in order to furnish the services authorized under subsection (a). The Secretary shall restrict the provision of services to the County to those areas in the County where residential development would be compatible with current and future operations at Camp Lejeune.

(e) ADMINISTRATIVE EXPENSES.—(1) The Secretary may require the County to reimburse the Secretary for the costs incurred by the Secretary to provide public water or sewage services to the County under subsection (a).

(2) Section 2695(c) of title 10 United States Code, shall apply to any amount received under this subsection.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the provision of public water or sewage services under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2853. CONVEYANCE OF REAL PROPERTY, ADAK NAVAL COMPLEX, ALASKA, AND RELATED LAND CONVEYANCES.

Section 6 of the Act entitled "An Act to ratify an agreement between The Aleut Corporation and the United States of America to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interests on Adak Island, and for other purposes.", approved October 11, 2002 (Public Law 107–239), is amended by adding at the end the following new subsection:

"(f) For purposes of section 21(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1620(c)), all property received by the Aleut Corporation under this Act shall be given a tax basis equal to fair value on the date of the transfer. Fair value shall be determined by replacement cost appraisal.".

SEC. 2854. SPECIAL REQUIREMENT FOR ADDING MILITARY INSTALLATION TO CLOSURE LIST.

Section 2914(d) 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 section 3003 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 155 Stat, 1346), is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following new paragraph (5):

"(5) SITE VISIT.—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.".

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

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

Sec. 3101. National Nuclear Security Administration.
Sec. 3102. Defense environmental management.
Sec. 3103. Other defense activities.
Sec. 3104. Defense nuclear waste disposal.

Subtitle B—Program Authorizations, Restrictions, and Limitations

Sec. 3141. Annual assessments and reports to the President and Congress regarding the condition of the United States nuclear weapons stockpile.
Sec. 3142. Plans for achieving enhanced readiness posture for resumption by the United States of underground nuclear weapons tests.
Sec. 3143. Requirements for specific request for new or modified nuclear weapons.
Sec. 3144. Database to track notification and resolution phases of Significant Finding Investigations.
Sec. 3145. Defense environmental management cleanup reform program.
Sec. 3146. Limitation on obligation of funds for Robust Nuclear Earth Penetrator program pending submission of report.

Subtitle C—Proliferation Matters

Sec. 3151. Transfer to National Nuclear Security Administration of Department of Defense's Cooperative Threat Reduction program relating to elimination of weapons grade plutonium production in Russia.
Sec. 3152. Repeal of requirement for reports on obligation of funds for programs on fissile materials in Russia.
Sec. 3153. Expansion of annual reports on status of nuclear materials protection, control, and accounting programs.
Sec. 3154. Testing of preparedness for emergencies involving nuclear, radiological, chemical, or biological weapons.
Sec. 3155. Cooperative program on research, development, and demonstration of technology regarding nuclear or radiological terrorism.
Sec. 3156. Matters relating to the International Materials Protection, Control, and Accounting program of the Department of Energy.
Sec. 3157. Accelerated disposition of highly enriched uranium.
Sec. 3158. Strengthened international security for nuclear materials and security of nuclear operations.
Sec. 3159. Export control programs.
Sec. 3160. Plan for accelerated return of weapons-usable nuclear materials.
Sec. 3161. Sense of Congress on amendment of Convention on Physical Protection of Nuclear Materials.
Sec. 3162. Sense of Congress on program to secure stockpiles of highly enriched uranium and plutonium.

Subtitle D—Other Matters

Sec. 3171. Indemnification of Department of Energy contractors.
Sec. 3172. Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico.
Sec. 3173. Worker health and safety rules for Department of Energy nuclear facilities.
Sec. 3174. Extension of authority to appoint certain scientific, engineering, and technical personnel.
Sec. 3175. One-year extension of panel to assess the reliability, safety, and security of the United States nuclear stockpile.
Sec. 3176. Report on status of environmental management initiatives to accelerate the reduction of environmental risks and challenges posed by the legacy of the Cold War.

Subtitle E—Disposition of Weapons-Usable Plutonium at Savannah River, South Carolina

Sec. 3181. Findings.
Sec. 3182. Disposition of weapons-usable plutonium at Savannah River Site.
Sec. 3183. Study of facilities for storage of plutonium and plutonium materials at Savannah River Site.

Subtitle A—National Security Programs Authorizations

SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2003 for the activities of the National Nuclear Security Administration in carrying out programs necessary for national security in the amount of $8,038,490,000, to be allocated as follows:

(1) For weapons activities, $5,901,641,000.

(2) For defense nuclear nonproliferation activities, $1,104,130,000.

(3) For naval reactors, $706,790,000.

(4) For the Office of the Administrator for Nuclear Security, $325,929,000.

(b) AUTHORIZATION OF NEW PLANT PROJECTS.—From funds referred to in subsection (a) that are available for carrying out plant projects, the Secretary of Energy may carry out new plant projects as follows:

(1) For weapons activities, the following new plant projects:

Project 03–D–101, Sandia underground reactor facility (SURF), Sandia National Laboratories, Albuquerque, New Mexico, $2,000,000.

Project 03–D–103, project engineering and design, various locations, $17,039,000.

Project 03–D–121, gas transfer capacity expansion, Kansas City Plant, Kansas City, Missouri, $4,000,000.

Project 03–D–122, prototype purification facility, Y–12 plant, Oak Ridge, Tennessee, $20,800,000.

Project 03–D–123, special nuclear materials requalification, Pantex plant, Amarillo, Texas, $3,000,000.

(2) For naval reactors, the following new plant project:

Project 03–D–201, cleanroom technology facility, Bettis Atomic Power Laboratory, West Mifflin, Pennsylvania, $7,200,000.

SEC. 3102. DEFENSE ENVIRONMENTAL MANAGEMENT.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2003 for environmental management activities in carrying out programs necessary for national security in the amount of $6,759,846,000, to be allocated as follows:

(1) For defense environmental restoration and waste management, $4,510,133,000.

(2) For defense environmental management cleanup reform in carrying out environmental restoration and waste management activities necessary for national security programs, $982,000,000.

(3) For defense facilities closure projects, $1,109,314,000.

(4) For defense environmental management privatization, $158,399,000.

(b) AUTHORIZATION OF NEW PLANT PROJECTS.—From funds referred to in subsection (a) that are available for carrying out plant projects, the Secretary of Energy may carry out new plant projects as follows:

(1) For environmental restoration and waste management activities, the following new plant project:

Project 03–D–403, immobilized high-level waste interim storage facility, Richland, Washington, $6,363,000.

(2) For defense environmental management cleanup reform, the following new plant project:

Project 03–D–414, project engineering and design, various locations, $8,800,000.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2003 for other defense activities in carrying out programs necessary for national security in the amount of $462,664,000.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2003 for defense nuclear waste disposal for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $315,000,000.

Subtitle B—Program Authorizations, Restrictions, and Limitations

SEC. 3141. ANNUAL ASSESSMENTS AND REPORTS TO THE PRESIDENT AND CONGRESS REGARDING THE CONDITION OF THE UNITED STATES NUCLEAR WEAPONS STOCKPILE.

(a) ANNUAL ASSESSMENTS REQUIRED.—For each nuclear weapon type in the stockpile of the United States, each official specified in subsection (b) on an annual basis shall, to the extent such official is directly responsible for the safety, reliability, performance, or military effectiveness of that nuclear weapon type, complete an assessment of the safety, reliability, performance, or military effectiveness (as the case may be) of that nuclear weapon type.

(b) COVERED OFFICIALS.—The officials referred to in subsection (a) are the following:

(1) The head of each national security laboratory.

(2) The commander of the United States Strategic Command.

(c) USE OF TEAMS OF EXPERTS FOR ASSESSMENTS.—The head of each national security laboratory shall establish and use one or more teams of experts, known as "red teams", to assist in the assessments required by subsection (a). Each such team shall include experts from both of the other national security laboratories. Each such team for a national security laboratory shall—

(1) review the matters covered by the assessments under subsection (a) performed by the head of that laboratory;

(2) subject such matters to challenge; and

(3) submit the results of such review and challenge, together with the findings and recommendations of such team with respect to such review and challenge, to the head of that laboratory.

(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) The results of each such assessment.

(2)(A) Such official's determination as to whether or not one or more underground nuclear tests are necessary to resolve any issues identified in the assessments and, if so—

(i) an identification of the specific underground nuclear tests that are necessary to resolve such issues; and

(ii) a discussion of why options other than an underground nuclear test are not available or would not resolve such issues.

(B) An identification of the specific underground nuclear tests which, while not necessary, might have value in resolving any such issues and a discussion of the anticipated value of conducting such tests.

(C) Such official's determination as to the readiness of the United States to conduct the underground nuclear tests identified under subparagraphs (A)(i) and (B), if directed by the President to do so.

(3) In the case of a report submitted by the head of a national security laboratory—

(A) a concise statement regarding the adequacy of the science-based tools and methods being used to determine the matters covered by the assessments;

(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) to identify and fix any inadequacy with respect to the matters covered by the assessments; and

(C) a concise summary of the findings and recommendations of any teams under subsection (c) that relate to the assessments, together with a discussion of those findings and recommendations.

(4) In the case of a report submitted by the Commander of the United States Strategic Command, a discussion of the relative merits of other nuclear weapon types (if any), or compensatory measures (if any) that could be taken, that could enable accomplishment of the missions of the nuclear weapon types to which the assessments relate, should such assessments identify any deficiency with respect to such nuclear weapon types.

(5) An identification and discussion of any matter having an adverse effect on the capability of the official submitting the report to accurately determine the matters covered by the assessments.

(e) SUBMITTALS TO THE PRESIDENT AND CONGRESS.—(1) Not later than March 1 of each year, the Secretary of Defense and the Secretary of Energy shall submit to the President—

(A) each report, without change, submitted to either Secretary under subsection (d) during the preceding year;

(B) any comments that the Secretaries individually or jointly consider appropriate with respect to each such report;

(C) the conclusions that the Secretaries individually or jointly reach as to the safety, reliability, performance, and military effectiveness of the nuclear weapons stockpile of the United States; and

(D) any other information that the Secretaries individually or jointly consider appropriate.

(2) Not later than March 15 of each year, the President shall forward to Congress the matters received by the President under paragraph (1) for that year, together with any comments the President considers appropriate.

(f) CLASSIFIED FORM.—Each submittal under subsection (e) shall be in classified form only, with the classification level required for each portion of such submittal marked appropriately.

(g) DEFINITIONS.—In this section:

(1) The term "national security laboratory" has the meaning given such term in section 3281 of the National Nuclear Security Administration Act (50 U.S.C. 2471).

(2) The term "Secretary concerned" means—

(A) the Secretary of Energy, with respect to matters concerning the Department of Energy; and

(B) the Secretary of Defense, with respect to matters concerning the Department of Defense.

(h) FIRST SUBMISSIONS.—(1) The first submissions made under subsection (d) shall be the submissions required to be made in 2003.

(2) The first submissions made under subsection (e) shall be the submissions required to be made in 2004.

SEC. 3142. PLANS FOR ACHIEVING ENHANCED READINESS POSTURE FOR RESUMPTION BY THE UNITED STATES OF UNDERGROUND NUCLEAR WEAPONS TESTS.

(a) PLANS REQUIRED.—The Secretary of Energy, in consultation with the Administrator for Nuclear Security, shall prepare plans for achieving, not later than one year after the date on which the plans are submitted under subsection (c), readiness postures of six months, 12 months, 18 months, and 24 months for resumption by the United States of underground nuclear weapons tests.

(b) READINESS POSTURE.—For purposes of this section, a readiness posture of a specified number of months for resumption by the United States of underground nuclear weapons tests is achieved when the Department of Energy has the capability to resume such tests, if directed by the President to resume such tests, not later than the specified number of months after the date on which the President so directs.

(c) REPORT.—The Secretary shall include with the budget justification materials submitted to Congress in support of the Department of Energy budget for fiscal year 2004 (as submitted with the budget of the President under section 1105(a) of title 31, United States Code) a report on the plans required by subsection (a). The report shall include—

(1) an assessment of the current readiness posture for resumption by the United States of underground nuclear weapons tests;

(2) the plans required by subsection (a) and, for each such plan, the estimated cost for implementing such plan and an estimate of the annual cost of maintaining the readiness posture to which the plan relates; and

(3) the recommendation of the Secretary, developed in consultation with the Secretary of Defense, as to the optimal readiness posture for resumption by the United States of underground nuclear weapons tests, including the basis for that recommendation.

SEC. 3143. 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.

(2) The activities described in this paragraph are as follows:

(A) The conduct, or provision for conduct, of research and development which could lead to the production of a new nuclear weapon by the United States.

(B) The conduct, or provision for conduct, of engineering or manufacturing to carry out the production of a new nuclear weapon by the United States.

(C) The conduct, or provision for conduct, of research and development which could lead to the production of a modified nuclear weapon by the United States.

(D) The conduct, or provision for conduct, of engineering or manufacturing to carry out the production of a modified nuclear weapon by the United States.

(b) BUDGET REQUEST FORMAT.—The Secretary shall include in a request for funds under subsection (a) the following:

(1) In the case of funds for activities described in subparagraph (A) or (C) of subsection (a)(2), a single dedicated line item for all such activities for new nuclear weapons or modified nuclear weapons that are in phase 1, 2, or 2A or phase 6.1, 6.2, or 6.2A (as the case may be), or any concept work prior to phase 1 or 6.1 (as the case may be), of the nuclear weapons acquisition process.

(2) In the case of funds for activities described in subparagraph (B) or (D) of subsection (a)(2), a dedicated line item for each such activity for a new nuclear weapon or modified nuclear weapon that is in phase 3 or higher or phase 6.3 or higher (as the case may be) of the nuclear weapons acquisition process.

(c) EXCEPTION.—Subsection (a) shall not apply to funds for purposes of conducting, or providing for the conduct of, research and development, or manufacturing and engineering, determined by the Secretary to be necessary—

(1) for the nuclear weapons life extension program;

(2) to modify an existing nuclear weapon solely to address safety or reliability concerns; or

(3) to address proliferation concerns.

(d) DEFINITIONS.—In this section:

(1) The term "life extension program" means the program to repair or replace non-nuclear components, or to modify the pit or canned subassembly, of nuclear weapons that are in the nuclear weapons stockpile on the date of the enactment of this Act in order to assure that such nuclear weapons retain the ability to meet the military requirements applicable to such nuclear weapons when first placed in the nuclear weapons stockpile.

(2) The term "modified nuclear weapon" means a nuclear weapon that contains a pit or canned subassembly, either of which—

(A) is in the nuclear weapons stockpile as of the date of the enactment of this Act; and

(B) is being modified in order to meet a military requirement that is other than the military requirements applicable to such nuclear weapon when first placed in the nuclear weapons stockpile.

(3) The term "new nuclear weapon" means a nuclear weapon that contains a pit or canned subassembly, either of which is neither—

(A) in the nuclear weapons stockpile on the date of the enactment of this Act; nor

(B) in production as of that date.

SEC. 3144. DATABASE TO TRACK NOTIFICATION AND RESOLUTION PHASES OF SIGNIFICANT FINDING INVESTIGATIONS.

(a) AVAILABILITY OF FUNDS FOR DATABASE.—Amounts authorized to be appropriated by section 3101(a)(1) for the National Nuclear Security Administration for weapons activities shall be available to the Deputy Administrator for Nuclear Security for Defense Programs for the development and implementation of a database for all national security laboratories to track the notification and resolution phases of Significant Finding Investigations (SFIs). The purpose of the database is to facilitate the monitoring of the progress and accountability of the national security laboratories in Significant Finding Investigations.

(b) IMPLEMENTATION DEADLINE.—The database required by subsection (a) shall be implemented not later than September 30, 2003.

(c) NATIONAL SECURITY LABORATORY DEFINED.—In this section, the term "national security laboratory" has the meaning given that term in section 3281(1) of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 968; 50 U.S.C. 2471(1)).

SEC. 3145. DEFENSE ENVIRONMENTAL MANAGEMENT CLEANUP REFORM PROGRAM.

(a) PROGRAM REQUIRED.—From funds made available pursuant to section 3102(a)(2) for defense environmental management cleanup reform, the Secretary of Energy shall carry out a program to reform DOE environmental management activities. In carrying out the program, the Secretary shall allocate, to each site for which the Secretary has submitted to the congressional defense committees a site performance management plan, the amount of those funds that such plan requires.

(b) TRANSFER AND MERGER OF FUNDS.—(1) Funds so allocated shall, notwithstanding section 3624, be transferred to the account

for DOE environmental management activities and, subject to paragraph (2) and subsection (c), shall be merged with and be available for the same purposes and for the same period as the funds available in such account. The authority provided by section 3629 shall apply to funds so transferred.

(2) No funds so allocated may be obligated or expended until 30 days after the Secretary submits to the congressional defense committees a description of the activities to be carried out at each site to which funds are so allocated.

(c) LIMITATION ON USE OF ALL MERGED FUNDS.—Upon a transfer and merger of funds under subsection (b), all funds in the merged account that are available with respect to the site may be used only to carry out the site performance management plan for the site.

(d) SITE PERFORMANCE MANAGEMENT PLAN DEFINED.—For purposes of this section, a site performance management plan for a site is a plan, agreed to by the applicable Federal and State agencies with regulatory jurisdiction with respect to the site, for the performance of activities to accelerate the reduction of environmental risk in connection with, and to accelerate the environmental cleanup of, the site.

(e) DOE ENVIRONMENTAL MANAGEMENT ACTIVITIES DEFINED.—For purposes of this section, the term "DOE environmental management activities" means environmental restoration and waste management activities of the Department of Energy in carrying out programs necessary for national security.

SEC. 3146. LIMITATION ON OBLIGATION OF FUNDS FOR ROBUST NUCLEAR EARTH PENETRATOR PROGRAM PENDING SUBMISSION OF REPORT.

(a) REPORT-AND-WAIT REQUIREMENT.—None of the funds made available to the Secretary of Energy for fiscal year 2003 for the Robust Nuclear Earth Penetrator program may be obligated until—

(1) the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a report described in subsection (b); and

(2) a period of 30 days has passed after such report is received by those committees.

(b) REPORT.—A report under subsection (a)(1) is a report on the Robust Nuclear Earth Penetrator program, prepared by the Secretary of Defense in consultation with the Secretary of Energy, that sets forth the following:

(1) The military requirements for the Robust Nuclear Earth Penetrator.

(2) The nuclear weapons employment policy regarding the Robust Nuclear Earth Penetrator.

(3) A detailed description of the categories or types of targets that the Robust Nuclear Earth Penetrator is designed to hold at risk.

(4) An assessment of the ability of conventional weapons to defeat the same categories and types of targets as are described pursuant to paragraph (3).

Subtitle C—Proliferation Matters

SEC. 3151. TRANSFER TO NATIONAL NUCLEAR SECURITY ADMINISTRATION OF DEPARTMENT OF DEFENSE'S COOPERATIVE THREAT REDUCTION PROGRAM RELATING TO ELIMINATION OF WEAPONS GRADE PLUTONIUM PRODUCTION IN RUSSIA.

(a) TRANSFER OF PROGRAM.—There are hereby transferred to the Administrator for Nuclear Security the following:

(1) The program, within the Cooperative Threat Reduction program of the Department of Defense, relating to the elimination of weapons grade plutonium production in Russia.

(2) All functions, powers, duties, and activities of that program performed before the date of the enactment of this Act by the Department of Defense.

(b) TRANSFER OF ASSETS.—(1) Notwithstanding any restriction or limitation in law on the availability of Cooperative Threat Reduction funds specified in paragraph (2), so much of the property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the program transferred by subsection (a) are transferred to the Administrator for use in connection with the program transferred.

(2) The Cooperative Threat Reduction funds specified in this paragraph are the following:

(A) Fiscal year 2002 Cooperative Threat Reduction funds, as specified in section 1301(b) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1254; 22 U.S.C. 5952 note).

(B) Fiscal year 2001 Cooperative Threat Reduction funds, as specified in section 1301(b) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–339; 22 U.S.C. 5959 note).

(C) Fiscal year 2000 Cooperative Threat Reduction funds, as specified in section 1301(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 792; 22 U.S.C. 5952 note).

(c) AVAILABILITY OF TRANSFERRED FUNDS.—(1) Notwithstanding any restriction or limitation in law on the availability of Cooperative Threat Reduction funds specified in subsection (b)(2), the Cooperative Threat Reduction funds transferred under subsection (b) for the program referred to in subsection (a) shall be available for activities as follows:

(A) To design and construct, refurbish, or both, fossil fuel energy plants in Russia that provide alternative sources of energy to the energy plants in Russia that produce weapons grade plutonium.

(B) To carry out limited safety upgrades of not more than three energy plants in Russia that produce weapons grade plutonium, provided that such upgrades do not extend the life of those plants.

(2) Amounts available under paragraph (1) for activities referred to in that paragraph shall remain available for obligation for three fiscal years.

(d) LIMITATION.—(1) Of the amounts authorized to be appropriated by this title or any other Act for the program referred to in subsection (a), the Administrator for Nuclear Security may not obligate any funds for construction, or obligate or expend more than $100,000,000 for that program, until 30 days after the later of—

(A) the date on which the Administrator submits to the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate, a copy of an agreement or agreements entered into between the United States Government and the Government of the Russian Federation to shut down the three plutonium-producing reactors in Russia as specified under paragraph (2); and

(B) the date on which the Administrator submits to the committees specified in subparagraph (A) a report on a plan to achieve international participation in the program referred to in subsection (a), including cost sharing.

(2) The agreement (or agreements) under paragraph (1)(A) shall contain—

(A) a commitment to shut down the three plutonium-producing reactors;

(B) the date on which each such reactor will be shut down;

(C) a schedule and milestones for each such reactor to complete the shutdown of such reactor by the date specified under subparagraph (B);

(D) a schedule and milestones for refurbishment or construction of fossil fuel energy plants to be undertaken by the Government of the Russian Federation in support of the program;

(E) an arrangement for access to sites and facilities necessary to meet such schedules and milestones;

(F) an arrangement for audit and examination procedures in order to evaluate progress in meeting such schedules and milestones; and

(G) any cost sharing arrangements between the United States Government and the Government of the Russian Federation in undertaking activities under such agreement (or agreements).

SEC. 3152. REPEAL OF REQUIREMENT FOR REPORTS ON OBLIGATION OF FUNDS FOR PROGRAMS ON FISSILE MATERIALS IN RUSSIA.

Section 3131 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 617; 22 U.S.C. 5952 note) is amended—

(1) in subsection (a), by striking "(a) AUTHORITY.—"; and

(2) by striking subsection (b).

SEC. 3153. EXPANSION OF ANNUAL REPORTS ON STATUS OF NUCLEAR MATERIALS PROTECTION, CONTROL, AND ACCOUNTING PROGRAMS.

(a) COVERED PROGRAMS.—Subsection (a) of section 3171 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–475; 22 U.S.C. 5952 note) is amended by striking "Russia that" and inserting "countries where such materials".

(b) REPORT CONTENTS.—Subsection (b) of that section is amended—

(1) in paragraph (1) by inserting "in each country covered by subsection (a)" after "locations,";

(2) in paragraph (2), by striking "in Russia" and inserting "in each such country";

(3) in paragraph (3), by inserting "in each such country" after "subsection (a)"; and

(4) in paragraph (5), by striking "by total amount and by amount per fiscal year" and inserting "by total amount per country and by amount per fiscal year per country".

SEC. 3154. TESTING OF PREPAREDNESS FOR EMERGENCIES INVOLVING NUCLEAR, RADIOLOGICAL, CHEMICAL, OR BIOLOGICAL WEAPONS.

(a) EXTENSION OF TESTING.—Section 1415 of the Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of Public Law 104–201; 110 Stat. 2720; 50 U.S.C. 2315) is amended—

(1) in subsection (a)(2), by striking "of five successive fiscal years beginning with fiscal year 1997" and inserting "of fiscal years 1997 through 2013"; and

(2) in subsection (b)(2), by striking "of five successive fiscal years beginning with fiscal year 1997" and inserting "of fiscal years 1997 through 2013".

(b) CONSTRUCTION OF EXTENSION WITH DESIGNATION OF ATTORNEY GENERAL AS LEAD OFFICIAL.—The amendments made by subsection (a) may not be construed as modifying the designation of the President titled "Designation of the Attorney General as the Lead Official for the Emergency Response Assistance Program Under Sections 1412 and 1415 of the National Defense Authorization Act for Fiscal Year 1997", dated April 6, 2000, designating the Attorney General to assume programmatic and funding responsibilities for the Emergency Response Assistance Program under sections 1412 and 1415 of the Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of the National Defense Authorization Act for Fiscal Year 1997).

SEC. 3155. COOPERATIVE PROGRAM ON RESEARCH, DEVELOPMENT, AND DEMONSTRATION OF TECHNOLOGY REGARDING NUCLEAR OR RADIOLOGICAL TERRORISM.

(a) PROGRAM REQUIRED.—The Administrator for Nuclear Security shall carry out with the Russian Federation a cooperative program on the research, development, and demonstration of technologies for protection from and response to nuclear or radiological terrorism.

(b) PROGRAM ELEMENTS.—In carrying out the program required by subsection (a), the Administrator shall—

(1) conduct research and development of technology for protection from nuclear or radiological terrorism, including technology for the detection, identification, assessment, control, and disposition of radiological materials that could be used for nuclear terrorism; and

(2) provide, where feasible, for the demonstration to other countries of technologies or methodologies on matters relating to nuclear or radiological terrorism, including—

(A) the demonstration of technologies developed under the program to respond to nuclear or radiological terrorism;

(B) the demonstration of technologies developed under the program for the disposal of radioactive materials;

(C) the demonstration of methodologies developed under the program for use in evaluating the radiological threat of radiological sources identified as not under current accounting programs in the audit report of the Inspector General of the Department of Energy titled "Accounting for Sealed Sources of Nuclear Material Provided to Foreign Countries" (DOE/IG–0546);

(D) in coordination with the Nuclear Regulatory Commission, the demonstration of methodologies developed under the program to facilitate the development of a regulatory framework for licensing and controlling radioactive sources; and

(E) in coordination with the Office of Environment, Safety, and Health of the Department of Energy, the demonstration of methodologies developed under the program to facilitate development of consistent criteria for screening international transfers of radiological materials.

(c) CONSULTATION.—In carrying out activities in accordance with subsection (b)(2), the Administrator shall consult with—

(1) the Secretary of Defense, Secretary of State, and Secretary of Commerce; and

(2) the International Atomic Energy Agency.

(d) AMOUNT FOR ACTIVITIES.—Of the amount authorized to be appropriated by section 3101(a)(2) for the Department of Energy for the National Nuclear Security Administration for defense nuclear nonproliferation, up to $15,000,000 may be available for carrying out this section.

SEC. 3156. MATTERS RELATING TO THE INTERNATIONAL MATERIALS PROTECTION, CONTROL, AND ACCOUNTING PROGRAM OF THE DEPARTMENT OF ENERGY.

(a) RADIOLOGICAL DISPERSAL DEVICE MATERIALS PROTECTION, CONTROL, AND ACCOUNTING.—The Secretary of Energy may establish within the International Materials Protection, Control, and Accounting program of the Department of Energy a program on the protection, control, and accounting of materials usable in radiological dispersal devices. In establishing such program, the Secretary shall—

(1) identify the sites and radiological materials to be covered by such program;

(2) carry out a risk assessment of such radiological materials; and

(3) identify and establish the costs of and schedules for such program.

(b) REVISED FOCUS FOR MATERIALS PROTECTION, CONTROL, AND ACCOUNTING PROGRAM OF RUSSIAN FEDERATION.—(1) The Secretary of Energy shall work cooperatively with the Russian Federation to develop, as soon as practicable but not later than January 1, 2013, a sustainable nuclear materials protection, control, and accounting system for the nuclear materials of the Russian Federation that is supported solely by the Russian Federation.

(2) The Secretary shall work with the Russian Federation to identify various alternatives to provide the United States adequate transparency in the nuclear materials protection, control, and accounting program of the Russian Federation to assure that such program is meeting applicable goals for nuclear materials protection, control, and accounting.

(c) AMOUNT FOR ACTIVITIES.—Of the amount authorized to be appropriated by section 3101(a)(2) for the Department of Energy for the National Nuclear Security Administration for defense nuclear nonproliferation, up to $5,000,000 may be available for carrying out this section.

SEC. 3157. ACCELERATED DISPOSITION OF HIGHLY ENRICHED URANIUM.

(a) PROGRAM ON ACCELERATED DISPOSITION OF HEU AUTHORIZED.—(1) The Secretary of Energy may carry out a program to pursue with the Russian Federation options for blending highly enriched uranium so that the concentration of U–235 in such uranium is below 20 percent.

(2) The options pursued under paragraph (1) shall include expansion of the Material Consolidation and Conversion program of the Department of Energy to include—

(A) additional facilities for the blending of highly enriched uranium; and

(B) additional centralized secure storage facilities for highly enriched uranium designated for blending.

(3) Any site selected for the storage of uranium or blended material under paragraph (2)(B) shall undergo complete materials protection, control, and accounting upgrades before the commencement of the storage of uranium or blended material at such site under the program.

(b) CONSTRUCTION WITH HEU DISPOSITION AGREEMENT.—Nothing in this section may be construed as terminating, modifying, or otherwise affecting requirements for the disposition of highly enriched uranium under the Agreement Between the Government of the United States of America and the Government of the Russian Federation Concerning the Disposition of Highly Enriched Uranium Extracted from Nuclear Weapons, signed at Washington on February 18, 1993.

(c) LIMITATION ON RELEASE FOR SALE OF BLENDED URANIUM.—Uranium blended under this section may not be released for sale until the earlier of—

(1) January 1, 2014; or

(2) the date on which the Secretary certifies that such uranium can be absorbed into the global market without undue disruption to the uranium mining, conversion, and enrichment industry in the United States.

(d) AMOUNT FOR ACTIVITIES.—Of the amount to be appropriated by section 3101(a)(2) for the Department of Energy for the National Nuclear Security Administration for defense nuclear nonproliferation, up to $10,000,000 may be available for carrying out this section.

SEC. 3158. STRENGTHENED INTERNATIONAL SECURITY FOR NUCLEAR MATERIALS AND SECURITY OF NUCLEAR OPERATIONS.

(a) REPORT ON OPTIONS FOR INTERNATIONAL PROGRAM TO STRENGTHEN SECURITY.—(1) Not later than 270 days after the date

of the enactment of this Act, the Secretary of Energy shall submit to Congress a report on options for an international program to develop strengthened security for nuclear reactors and associated materials outside the United States.

(2) In evaluating options for purposes of the report, the Secretary shall consult with the Nuclear Regulatory Commission and the International Atomic Energy Agency on the feasibility and advisability of actions to reduce the risks associated with terrorist attacks on nuclear reactors outside the United States.

(b) JOINT PROGRAMS WITH RUSSIA ON PROLIFERATION-RESISTANT NUCLEAR ENERGY TECHNOLOGIES.—(1) The Secretary shall pursue with the Ministry of Atomic Energy of the Russian Federation joint programs between the United States and the Russian Federation on the development of proliferation-resistant nuclear energy technologies, including advanced fuel cycles.

(2) Of the amount authorized to be appropriated by section 3101(a)(2) for the Department of Energy for the National Nuclear Security Administration for defense nuclear nonproliferation, up to $10,000,000 may be available for carrying out the joint programs referred to in paragraph (1).

(c) ASSISTANCE REGARDING HOSTILE INSIDERS.—The Secretary may, utilizing appropriate expertise of the Department of Energy and the Nuclear Regulatory Commission, provide technical assistance to nuclear reactor facilities outside the United States with respect to the interdiction of hostile insiders at such facilities in order to prevent incidents arising from the disablement of the vital systems of such facilities.

SEC. 3159. EXPORT CONTROL PROGRAMS.

(a) AUTHORITY TO PURSUE OPTIONS FOR STRENGTHENING EXPORT CONTROL PROGRAMS.—The Secretary of Energy, in coordination with the Secretary of State, may pursue in the region of the former Soviet Union and other regions of concern options for accelerating programs that assist the countries in such regions in improving their domestic export control programs for materials, technologies, and expertise relevant to the construction or use of a nuclear or radiological dispersal device.

(b) AMOUNT FOR ACTIVITIES.—Of the amount authorized to be appropriated by section 3101(a)(2) for the Department of Energy for the National Nuclear Security Administration for defense nuclear nonproliferation, up to $5,000,000 may be available for carrying out this section.

SEC. 3160. PLAN FOR ACCELERATED RETURN OF WEAPONS-USABLE NUCLEAR MATERIALS.

(a) PLAN FOR ACCELERATED RETURN.—The Secretary of Energy shall work with the Russian Federation to develop a plan to accelerate the return to Russia of all weapons-usable nuclear materials located in research reactors and other facilities outside Russia that were supplied by the former Soviet Union.

(b) FUNDING AND SCHEDULES.—As part of the plan under subsection (a), the Secretary shall identify the funding and schedules required to assist the research reactors and facilities referred to in that subsection in—

(1) transferring highly enriched uranium to Russia; and

(2) upgrading the materials protection, control, and accounting procedures at such research reactors and facilities until the weapons-usable nuclear materials in such reactors and facilities are returned in accordance with that subsection.

(c) COORDINATION.—The provision of assistance under subsection (b) shall be closely coordinated with the International Atomic Energy Agency.

SEC. 3161. SENSE OF CONGRESS ON AMENDMENT OF CONVENTION ON PHYSICAL PROTECTION OF NUCLEAR MATERIALS.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the President should encourage amendment of the Convention on the Physical Protection of Nuclear Materials in order to provide that the Convention shall—

(1) apply to both the domestic and international use and transport of nuclear materials;

(2) incorporate fundamental practices for the physical protection of such materials; and

(3) address protection against sabotage involving nuclear materials.

(b) CONVENTION ON THE PHYSICAL PROTECTION OF NUCLEAR MATERIAL DEFINED.—In this section, the term "Convention on the Physical Protection of Nuclear Materials" means the Convention on the Physical Protection of Nuclear Materials, With Annex, done at Vienna on October 26, 1979.

SEC. 3162. SENSE OF CONGRESS ON PROGRAM TO SECURE STOCKPILES OF HIGHLY ENRICHED URANIUM AND PLUTONIUM.

It is the sense of Congress that the Secretary of Energy should, in consultation with the Secretary of State and Secretary of Defense, develop a comprehensive program of activities to encourage all countries with nuclear materials to adhere to, or to adopt standards equivalent to, the International Atomic Energy Agency standard on The Physical Protection of Nuclear Material and Nuclear Facilities (INFCIRC/225/Rev.4), relating to the security of stockpiles of highly enriched uranium (HEU) and plutonium (Pu).

Subtitle D—Other Matters

SEC. 3171. INDEMNIFICATION OF DEPARTMENT OF ENERGY CONTRACTORS.

Section 170 d.(1)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(1)(A)) is amended by striking "until August 1, 2002," and inserting "until December 31, 2004,".

SEC. 3172. SUPPORT FOR PUBLIC EDUCATION IN THE VICINITY OF LOS ALAMOS NATIONAL LABORATORY, NEW MEXICO.

(a) SUPPORT FOR FISCAL YEAR 2003.—From amounts authorized to be appropriated to the Secretary of Energy by this title, $6,900,000 shall be available for payment by the Secretary for fiscal year 2003 to the Los Alamos National Laboratory Foundation, a not-for-profit foundation chartered as described in section 3167(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2052).

(b) USE OF FUNDS.—The foundation referred to in subsection (a) shall—

(1) utilize funds provided under this section as a contribution to the endowment fund for the foundation; and

(2) use the income generated from investments in the endowment fund that are attributable to the payment made under this section to fund programs to support the educational needs of children in the public schools in the vicinity of Los Alamos National Laboratory, New Mexico.

(c) REPEAL OF SUPERSEDED AUTHORITY AND MODIFICATION OF AUTHORITY TO EXTEND CONTRACT.—(1) Subsection (b) of section 3136 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1368) is amended to read as follows:

"(b) SUPPORT FOR FISCAL YEARS 2003 THROUGH 2005.—Subject to the availability of appropriations, the Secretary may provide for a contract extension through fiscal year 2005 similar to the contract extension referred to in subsection (a)(2).".

(2) The amendment made by paragraph (1) shall take effect on October 1, 2002.

(d) REPORT.—(1) The Secretary of Energy, in consultation with the Administrator for Nuclear Security, shall conduct a study of options for funding the contract extension authorized by subsection (b) of such section 3136 (as amended by subsection (c)) other than through annual appropriations. The study should also include options for providing cost of living adjustments to teachers in the public schools in the vicinity of Los Alamos National Laboratory, New Mexico, other than through such contract extension.

(2) Not later than December 31, 2003, the Secretary shall submit to the congressional defense committees a report on the study conducted under paragraph (1). The report shall set forth the findings and conclusions of the study, together with any recommendations as a result of the study.

SEC. 3173. WORKER HEALTH AND SAFETY RULES FOR DEPARTMENT OF ENERGY NUCLEAR FACILITIES.

(a) WORKER HEALTH AND SAFETY RULES.—The Atomic Energy Act of 1954 is amended by inserting after section 234B (42 U.S.C. 2282b) the following new section:

"SEC. 234C. WORKER HEALTH AND SAFETY RULES FOR DEPARTMENT OF ENERGY NUCLEAR FACILITIES.

"a. REGULATIONS REQUIRED.—

"(1) IN GENERAL.—The Secretary shall promulgate regulations for industrial and construction health and safety at Department of Energy facilities that are operated by contractors covered by agreements of indemnification under section 170 d. of the Atomic Energy Act of 1954, after public notice and opportunity for comment under section 553 of title 5, United States Code (commonly known as the 'Administrative Procedure Act'). Such regulations shall, subject to paragraph (3), provide a level of protection for workers at such facilities that is substantially equivalent to the level of protection currently provided to such workers at such facilities.

"(2) APPLICABILITY.—The regulations promulgated under paragraph (1) shall not apply to any facility that is a component of, or any activity conducted under, the Naval Nuclear Propulsion Program provided for under Executive Order No. 12344, dated February 1, 1982 (42 U.S.C. 7158 note) (as in

force pursuant to section 1634 of the Department of Defense Authorization Act, 1985 (Public Law 98–525; 42 U.S.C. 7158 note)).

"(3) FLEXIBILITY.—In promulgating the regulations under paragraph (1), the Secretary shall include flexibility—

"(A) to tailor implementation of such regulations to reflect activities and hazards associated with a particular work environment;

"(B) to take into account special circumstances at a facility that is, or is expected to be, permanently closed and that is expected to be demolished, or title to which is expected to be transferred to another entity for reuse; and

"(C) to achieve national security missions of the Department of Energy in an efficient and timely manner.

"(4) NO EFFECT ON HEALTH AND SAFETY ENFORCEMENT.—This subsection does not diminish or otherwise affect the enforcement or the application of any other law, regulation, order, or contractual obligation relating to worker health and safety.

"b. CIVIL PENALTIES.—

"(1) IN GENERAL.—A person (or any subcontractor or supplier of the person) who has entered into an agreement of indemnification under section 170 d. (or any subcontractor or supplier of the person) that violates (or is the employer of a person that violates) any regulation promulgated under subsection a. shall be subject to a civil penalty of not more than $70,000 for each such violation.

"(2) CONTINUING VIOLATIONS.—If any violation under this subsection is a continuing violation, each day of the violation shall constitute a separate violation for the purpose of computing the civil penalty under paragraph (1).

"c. CONTRACT PENALTIES.—

"(1) IN GENERAL.—The Secretary shall include in each contract with a contractor of the Department who has entered into an agreement of indemnification under section 170 d. provisions that provide an appropriate reduction in the fees or amounts paid to the contractor under the contract in the event of a violation by the contractor or contractor employee of any regulation promulgated under subsection a.

"(2) CONTENTS.—The provisions shall specify various degrees of violations and the amount of the reduction attributable to each degree of violation.

"d. COORDINATION OF PENALTIES.—

"(1) CHOICE OF PENALTIES.—For any violation by a person of a regulation promulgated under subsection a., the Secretary shall pursue either civil penalties under subsection b. or contract penalties under subsection c., but not both.

"(2) MAXIMUM AMOUNT.—In the case of an entity described in subsection d. of section 234A, the total amount of civil penalties under subsection b. and contract penalties under subsection c. in a fiscal year may not exceed the total amount of fees paid by the Department of Energy to that entity in that fiscal year.

"(3) COORDINATION WITH SECTION 234A.—The Secretary shall ensure that a contractor of the Department is not penal-

ized both under this section and under section 234A for the same violation.".

(b) PROMULGATION OF INITIAL REGULATIONS.—

(1) DEADLINE FOR PROMULGATING REGULATIONS.—The Secretary of Energy shall promulgate the regulations required by subsection a. of section 234C of the Atomic Energy Act of 1954 (as added by subsection (a)) not later than one year after the date of the enactment of this Act.

(2) EFFECTIVE DATE.—The regulations promulgated under paragraph (1) shall take effect on the date that is one year after the promulgation date of the regulations.

(c) PROHIBITION.—The Secretary of Energy shall not participate in or otherwise support any study or other project relating to a modification in the scope of the regulations enforceable by civil penalties under section 234A or 234C of the Atomic Energy Act of 1954, or the responsibility of the Secretary to implement and enforce such regulations, until after the date on which the regulations for such purposes under such section 234C take effect in accordance with subsection (b).

SEC. 3174. EXTENSION OF AUTHORITY TO APPOINT CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.

Section 3161(c)(1) of the National Defense Authorization Act for Fiscal Year 1995 (42 U.S.C. 7231 note) is amended by striking "September 30, 2002" and inserting "September 30, 2004".

SEC. 3175. ONE-YEAR EXTENSION OF PANEL TO ASSESS THE RELIABILITY, SAFETY, AND SECURITY OF THE UNITED STATES NUCLEAR STOCKPILE.

Section 3159 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (42 U.S.C. 2121 note) is amended—

(1) in subsection (f), by striking "atomic energy defense activities" and inserting "the National Nuclear Security Administration";

(2) in subsection (g), by striking "three years" and all that follows through the period at the end and inserting "April 1, 2003."; and

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

"(i) FOLLOW-UP REPORT.—Not later than February 1, 2003, the panel shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a follow-up report assessing progress toward meeting the expectations set forth by the panel for the United States stockpile stewardship program, and making recommendations for corrective legislative action where progress has been unsatisfactory.".

SEC. 3176. REPORT ON STATUS OF ENVIRONMENTAL MANAGEMENT INITIATIVES TO ACCELERATE THE REDUCTION OF ENVIRONMENTAL RISKS AND CHALLENGES POSED BY THE LEGACY OF THE COLD WAR.

(a) REPORT REQUIRED.—The Secretary of Energy shall prepare a report on the status of those environmental management initiatives specified in subsection (c) that are being undertaken to accelerate the reduction of the environmental risks and challenges that, as a result of the legacy of the Cold War, are faced by the Department of Energy, contractors of the Department, and applicable Federal and State agencies with regulatory jurisdiction.

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

(1) A discussion of the progress made in reducing such risks and challenges in each of the following areas:

(A) Acquisition strategy and contract management.

(B) Regulatory agreements.

(C) Interim storage and final disposal of high-level waste, spent nuclear fuel, transuranic waste, and low-level waste.

(D) Closure and transfer of environmental remediation sites.

(E) Achievements in innovation by contractors of the Department with respect to accelerated risk reduction and cleanup.

(F) Consolidation of special nuclear materials and improvements in safeguards and security.

(2) An assessment of the progress made in streamlining risk reduction processes of the environmental management program of the Department.

(3) An assessment of the progress made in improving the responsiveness and effectiveness of the environmental management program of the Department.

(4) Any proposals for legislation that the Secretary considers necessary to carry out such initiatives, including the justification for each such proposal.

(c) INITIATIVES COVERED.—The environmental management initiatives referred to in subsection (a) are the initiatives arising out of the report titled "Top-to-Bottom Review of the Environmental Management Program" and dated February 4, 2002, with respect to the environmental restoration and waste management activities of the Department of Energy in carrying out programs necessary for national security.

(d) SUBMISSION OF REPORT.—On the date on which the budget justification materials in support of the Department of Energy budget for fiscal year 2004 (as submitted with the budget of the President under section 1105(a) of title 31, United States Code) are submitted to Congress, the Secretary shall submit to the congressional defense committees the report required by subsection (a).

Subtitle E—Disposition of Weapons-Usable Plutonium at Savannah River, South Carolina

SEC. 3181. FINDINGS.

Congress makes the following findings:

(1) In September 2000, the United States and the Russian Federation signed a Plutonium Management and Disposition Agreement by which each agreed to dispose of 34 metric tons of weapons-grade plutonium.

(2) The agreement with Russia is a significant step toward safeguarding nuclear materials and preventing their diversion to rogue states and terrorists.

(3) The Department of Energy plans to dispose of 34 metric tons of weapons-grade plutonium in the United States before the end of 2019 by converting the plutonium to a mixed-oxide fuel to be used in commercial nuclear power reactors.

(4) The Department has formulated a plan for implementing the agreement with Russia through construction of a mixed-oxide fuel fabrication facility, the so-called MOX facility, and a pit disassembly and conversion facility at the Savannah River Site, Aiken, South Carolina.

(5) The United States and the State of South Carolina have a compelling interest in the safe, proper, and efficient operation of the plutonium disposition facilities at the Savannah River Site. The MOX facility will also be economically beneficial to the State of South Carolina, and that economic benefit will not be fully realized unless the MOX facility is built.

(6) The State of South Carolina desires to ensure that all plutonium transferred to the State of South Carolina is stored safely; that the full benefits of the MOX facility are realized as soon as possible; and, specifically, that all defense plutonium or defense plutonium materials transferred to the Savannah River Site either be processed or be removed expeditiously.

SEC. 3182. DISPOSITION OF WEAPONS-USABLE PLUTONIUM AT SAVANNAH RIVER SITE.

(a) PLAN FOR CONSTRUCTION AND OPERATION OF MOX FACILITY.—(1) Not later than February 1, 2003, the Secretary of Energy shall submit to Congress a plan for the construction and operation of the MOX facility at the Savannah River Site, Aiken, South Carolina.

(2) The plan under paragraph (1) shall include—

(A) a schedule for construction and operations so as to achieve, as of January 1, 2009, and thereafter, the MOX production objective, and to produce 1 metric ton of mixed-oxide fuel by December 31, 2009; and

(B) a schedule of operations of the MOX facility designed so that 34 metric tons of defense plutonium and defense plutonium materials at the Savannah River Site will be processed into mixed-oxide fuel by January 1, 2019.

(3)(A) Not later than February 15 each year, beginning in 2004 and continuing for as long as the MOX facility is in use, the Secretary shall submit to Congress a report on the implementation of the plan required by paragraph (1).

(B) Each report under subparagraph (A) for years before 2010 shall include—

(i) an assessment of compliance with the schedules included with the plan under paragraph (2); and

(ii) a certification by the Secretary whether or not the MOX production objective can be met by January 2009.

(C) Each report under subparagraph (A) for years after 2009 shall—

(i) address whether the MOX production objective has been met; and

(ii) assess progress toward meeting the obligations of the United States under the Plutonium Management and Disposition Agreement.

(D) Each report under subparagraph (A) for years after 2017 shall also include an assessment of compliance with the MOX production objective and, if not in compliance, the plan of the Secretary for achieving one of the following:

(i) Compliance with such objective.

(ii) Removal of all remaining defense plutonium and defense plutonium materials from the State of South Carolina.

(b) CORRECTIVE ACTIONS.—(1) If a report under subsection (a)(3) indicates that construction or operation of the MOX facility is behind the applicable schedule under subsection (a)(2) by 12 months or more, the Secretary shall submit to Congress, not later than August 15 of the year in which such report is submitted, a plan for corrective actions to be implemented by the Secretary to ensure that the MOX facility project is capable of meeting the MOX production objective by January 1, 2009.

(2) If a plan is submitted under paragraph (1) in any year after 2008, the plan shall include corrective actions to be implemented by the Secretary to ensure that the MOX production objective is met.

(3) Any plan for corrective actions under paragraph (1) or (2) shall include established milestones under such plan for achieving compliance with the MOX production objective.

(4) If, before January 1, 2009, the Secretary determines that there is a substantial and material risk that the MOX production objective will not be achieved by 2009 because of a failure to achieve milestones set forth in the most recent corrective action plan under this subsection, the Secretary shall suspend further transfers of defense plutonium and defense plutonium materials to be processed by the MOX facility until such risk is addressed and the Secretary certifies that the MOX production objective can be met by 2009.

(5) If, after January 1, 2009, the Secretary determines that the MOX production objective has not been achieved because of a failure to achieve milestones set forth in the most recent corrective action plan under this subsection, the Secretary shall suspend further transfers of defense plutonium and defense plutonium materials to be processed by the MOX facility until the Secretary certifies that the MOX production objective can be met.

(6)(A) Upon making a determination under paragraph (4) or (5), the Secretary shall submit to Congress a report on the options for removing from the State of South Carolina an amount of defense plutonium or defense plutonium materials equal to the amount of defense plutonium or defense plutonium materials transferred to the State of South Carolina after April 15, 2002.

(B) Each report under subparagraph (A) shall include an analysis of each option set forth in the report, including the cost and schedule for implementation of such option, and any requirements under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) relating to consideration or selection of such option.

(C) Upon submittal of a report under paragraph (A), the Secretary shall commence any analysis that may be required under the National Environmental Policy Act of 1969 in order to select among the options set forth in the report.

(c) CONTINGENT REQUIREMENT FOR REMOVAL OF PLUTONIUM AND MATERIALS FROM SAVANNAH RIVER SITE.—If the MOX production objective is not achieved as of January 1, 2009, the Secretary shall, consistent with the National Environmental Policy Act of 1969 and other applicable laws, remove from the State of South Carolina, for storage or disposal elsewhere—

(1) not later than January 1, 2011, not less than 1 metric ton of defense plutonium or defense plutonium materials; and

(2) not later than January 1, 2017, an amount of defense plutonium or defense plutonium materials equal to the amount of defense plutonium or defense plutonium materials transferred to the Savannah River Site between April 15, 2002 and January 1, 2017, but not processed by the MOX facility.

(d) ECONOMIC AND IMPACT ASSISTANCE.—(1) If the MOX production objective is not achieved as of January 1, 2011, the Secretary shall, from funds available to the Secretary, pay to the State of South Carolina each year beginning on or after that date through 2016 for economic and impact assistance an amount equal to $1,000,000 per day, not to exceed $100,000,000 per year, until the later of—

(A) the date on which the MOX production objective is achieved in such year; or

(B) the date on which the Secretary has removed from the State of South Carolina in such year at least 1 metric ton of defense plutonium or defense plutonium materials.

(2)(A) If, as of January 1, 2017, the MOX facility has not processed mixed-oxide fuel from defense plutonium and defense plutonium materials in the amount of not less than—

(i) one metric ton, in each of any two consecutive calendar years; and

(ii) three metric tons total,

the Secretary shall, from funds available to the Secretary, pay to the State of South Carolina for economic and impact assistance an amount equal to $1,000,000 per day, not to exceed $100,000,000 per year, until the removal by the Secretary from the State of South Carolina of an amount of defense plutonium or defense plutonium materials equal to the amount of defense plutonium or defense plutonium materials transferred to the Savannah River Site between April 15, 2002, and January 1, 2017, but not processed by the MOX facility.

(B) Nothing in this paragraph may be construed to terminate, supersede, or otherwise affect any other requirements of this section.

(3) If the State of South Carolina obtains an injunction that prohibits the Department from taking any action necessary for the Department to meet any deadline specified by this subsection, that deadline shall be extended for a period of time equal to the period of time during which the injunction is in effect.

(e) FAILURE TO COMPLETE PLANNED DISPOSITION PROGRAM.—If on July 1 each year beginning in 2020 and continuing for as long as the MOX facility is in use, less than 34 metric tons of defense plutonium or defense plutonium materials have been processed by the MOX facility, the Secretary shall submit to Congress a plan for—

(1) completing the processing of 34 metric tons of defense plutonium and defense plutonium material by the MOX facility; or

(2) removing from the State of South Carolina an amount of defense plutonium or defense plutonium materials equal to the amount of defense plutonium or defense plutonium materials transferred to the Savannah River Site after April 15, 2002, but not processed by the MOX facility.

(f) REMOVAL OF MIXED-OXIDE FUEL UPON COMPLETION OF OPERATIONS OF MOX FACILITY.—If, one year after the date on which

operation of the MOX facility permanently ceases, any mixed-oxide fuel remains at the Savannah River Site, the Secretary shall submit to Congress—

(1) a report on when such fuel will be transferred for use in commercial nuclear reactors; or

(2) a plan for removing such fuel from the State of South Carolina.

(g) DEFINITIONS.—In this section:

(1) MOX PRODUCTION OBJECTIVE.—The term "MOX production objective" means production at the MOX facility of mixed-oxide fuel from defense plutonium and defense plutonium materials at an average rate equivalent to not less than one metric ton of mixed-oxide fuel per year. The average rate shall be determined by measuring production at the MOX facility from the date the facility is declared operational to the Nuclear Regulatory Commission through the date of assessment.

(2) MOX FACILITY.—The term "MOX facility" means the mixed-oxide fuel fabrication facility at the Savannah River Site, Aiken, South Carolina.

(3) DEFENSE PLUTONIUM; DEFENSE PLUTONIUM MATERIALS.—The terms "defense plutonium" and "defense plutonium materials" mean weapons-usable plutonium.

SEC. 3183. STUDY OF FACILITIES FOR STORAGE OF PLUTONIUM AND PLUTONIUM MATERIALS AT SAVANNAH RIVER SITE.

(a) STUDY.—The Defense Nuclear Facilities Safety Board shall conduct a study of the adequacy of the K-Area Materials Storage facility (KAMS), and related support facilities such as Building 235–F, at the Savannah River Site, Aiken, South Carolina, for the storage of defense plutonium and defense plutonium materials in connection with the disposition program provided in section 3182 and in connection with the amended Record of Decision of the Department of Energy for fissile materials disposition.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Defense Nuclear Facilities Safety Board shall submit to Congress and the Secretary of Energy a report on the study conducted under subsection (a).

(c) REPORT ELEMENTS.—The report under subsection (b) shall—

(1) address—

(A) the suitability of KAMS and related support facilities for monitoring and observing any defense plutonium or defense plutonium materials stored in KAMS;

(B) the adequacy of the provisions made by the Department for remote monitoring of such defense plutonium and defense plutonium materials by way of sensors and for handling of retrieval of such defense plutonium and defense plutonium materials; and

(C) the adequacy of KAMS should such defense plutonium and defense plutonium materials continue to be stored at KAMS after 2019; and

(2) include such proposals as the Defense Nuclear Facilities Safety Board considers appropriate to enhance the safety, reliability, and functionality of KAMS.

(d) REPORTS ON ACTIONS ON PROPOSALS.—Not later than 6 months after the date on which the report under subsection (b) is submitted to Congress, and every year thereafter, the Secretary and

the Board shall each submit to Congress a report on the actions taken by the Secretary in response to the proposals, if any, included in the report.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 2003, $19,000,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Sec. 3301. Authorized uses of National Defense Stockpile funds.

SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2003, the National Defense Stockpile Manager may obligate up to $76,400,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section, including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Authorization of appropriations.

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

(a) AMOUNT.—There are hereby authorized to be appropriated to the Secretary of Energy $21,069,000 for fiscal year 2003 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves.

(b) PERIOD OF AVAILABILITY.—Funds appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available until expended.

TITLE XXXV—MARITIME ADMINISTRATION

Sec. 3501. Authorization of appropriations for fiscal year 2003.
Sec. 3502. Authority to convey vessel USS SPHINX (ARL–24).
Sec. 3503. Independent analysis of title XI insurance guarantee applications.
Sec. 3504. Preparation as artificial reefs and scrapping of obsolete vessels.

SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2003.

Funds are hereby authorized to be appropriated for fiscal year 2003, to be available without fiscal year limitation if so provided in appropriations Acts, for the use of the Department of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, $93,132,000.

(2) For expenses under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), $54,126,000, of which—

(A) $50,000,000 is for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees under the program; and

(B) $4,126,000 is for administrative expenses related to loan guarantee commitments under the program.

(3) For expenses to dispose of obsolete vessels in the National Defense Reserve Fleet, including provision of assistance under section 7 of Public Law 92–402 (as amended by this title), $20,000,000.

SEC. 3502. AUTHORITY TO CONVEY VESSEL USS SPHINX (ARL–24).

(a) IN GENERAL.—Notwithstanding any other law, the Secretary of Transportation may convey the right, title, and interest of the United States Government in and to the vessel USS SPHINX (ARL–24), to the Dunkirk Historical Lighthouse and Veterans Park Museum (a not-for-profit corporation, in this section referred to as the "recipient") for use as a military museum, if—

(1) the recipient agrees to use the vessel as a nonprofit military museum;

(2) the vessel is not used for commercial transportation purposes;

(3) the recipient agrees to make the vessel available to the Government when the Secretary requires use of the vessel by the Government;

(4) the recipient agrees that when the recipient no longer requires the vessel for use as a military museum—

(A) the recipient will, at the discretion of the Secretary, reconvey the vessel to the Government in good condition except for ordinary wear and tear; or

(B) if the Board of Trustees of the recipient has decided to dissolve the recipient according to the laws of the State of New York, then—

(i) the recipient shall distribute the vessel, as an asset of the recipient, to a person that has been determined exempt from taxation under the provisions of section 501(c)(3) of the Internal Revenue Code, or to the Federal Government or a State or local government for a public purpose; and

(ii) the vessel shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the recipient is located, for such purposes as the court shall determine, or to such organizations as the court shall determine are organized exclusively for public purposes;

(5) the recipient agrees to hold the Government harmless for any claims arising from exposure to asbestos, polychlorinated biphenyls, or lead paint after conveyance of the vessel, except for claims arising from use by the Government under paragraph (3) or (4); and

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

(b) DELIVERY OF VESSEL.—If a conveyance is made under this section, the Secretary shall deliver the vessel at the place where the vessel is located on the date of enactment of this Act, in its present condition, and without cost to the Government.

(c) OTHER UNNEEDED EQUIPMENT.—The Secretary may also convey any unneeded equipment from other vessels in the National Defense Reserve Fleet in order to restore the USS SPHINX (ARL–24) to museum quality.

(d) RETENTION OF VESSEL IN NDRF.—The Secretary shall retain in the National Defense Reserve Fleet the vessel authorized to be conveyed under subsection (a), until the earlier of—

(1) 2 years after the date of the enactment of this Act; or

(2) the date of conveyance of the vessel under subsection (a).

SEC. 3503. INDEPENDENT ANALYSIS OF TITLE XI INSURANCE GUARANTEE APPLICATIONS.

Section 1104A of the Merchant Marine Act, 1936 (46 App. U.S.C. 1274) is amended—

(1) by adding at the end of subsection (d) the following:

"(4) The Secretary may obtain independent analysis of an application for a guarantee or commitment to guarantee under this title."; and

(2) in subsection (f) by inserting "(including for obtaining independent analysis under subsection (d)(4))" after "applications for a guarantee".

SEC. 3504. PREPARATION AS ARTIFICIAL REEFS AND SCRAPPING OF OBSOLETE VESSELS.

(a) FINANCIAL ASSISTANCE TO STATES FOR PREPARATION OF TRANSFERRED OBSOLETE SHIPS FOR USE AS ARTIFICIAL REEFS.—(1) Public Law 92–402 (16 U.S.C. 1220 et seq.) is amended—

(A) by redesignating section 7 as section 8; and

(B) by inserting after section 6 the following new section 7:

"SEC. 7. FINANCIAL ASSISTANCE TO STATE TO PREPARE TRANSFERRED SHIP.

"(a) ASSISTANCE AUTHORIZED.—The Secretary, subject to the availability of appropriations, may provide, to any State to which an obsolete ship is transferred under this Act, financial assistance to prepare the ship for use as an artificial reef, including for—

"(1) environmental remediation;

"(2) towing; and

"(3) sinking.

"(b) AMOUNT OF ASSISTANCE.—The Secretary shall determine the amount of assistance under this section with respect to an obsolete ship based on—

"(1) the total amount available for providing assistance under this section;

"(2) the benefit achieved by providing assistance for that ship; and

"(3) the cost effectiveness of disposing of the ship by transfer under this Act and provision of assistance under this section, compared to other disposal options for that ship.

"(c) TERMS AND CONDITIONS.—The Secretary—

"(1) shall require a State seeking assistance under this section to provide cost data and other information determined by the Secretary to be necessary to justify and document the assistance; and

"(2) may require a State receiving such assistance to comply with terms and conditions necessary to protect the environment and the interests of the United States.".

(2) Section 4(4) of such Act (16 U.S.C. 1220a(4)) is amended by inserting "(except for any financial assistance provided under section 7)" after "at no cost to the Government".

(b) ENVIRONMENTAL BEST MANAGEMENT PRACTICES FOR PREPARING VESSELS FOR USE AS ARTIFICIAL REEFS.—(1) Not later than September 30, 2003, the Secretary of Transportation, acting through the Maritime Administration, and the Administrator of the Environmental Protection Agency shall jointly develop environmental best management practices to be used in the preparation of vessels for use as artificial reefs.

(2) The environmental best management practices under paragraph (1) shall be developed in consultation with the heads of other Federal agencies, and State agencies, having an interest in the use of vessels as artificial reefs.

(3) The environmental best management practices under paragraph (1) shall—

(A) include practices for the preparation of vessels for use as artificial reefs to ensure that vessels so prepared will be environmentally sound in their use as artificial reefs;

(B) ensure that such practices are consistent nationwide;

(C) establish baselines for estimating the costs associated with the preparation of vessels for use as artificial reefs; and

(D) include mechanisms to enhance the utility of the Artificial Reefing Program of the Maritime Administration as an option for the disposal of obsolete vessels.

(4) The environmental best management practices developed under paragraph (1) shall serve as national guidelines to be used

by Federal agencies for the preparation of vessels for use as artificial reefs.

(5) The Secretary of Transportation shall submit to Congress a report on the environmental best management practices developed under paragraph (1) through the existing ship disposal reporting requirements in section 3502 of Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 1654A–492). The report shall describe such practices, and may include such other matters as the Secretary considers appropriate.

(c) PILOT PROGRAM ON EXPORT OF OBSOLETE VESSELS FOR DISMANTLEMENT AND RECYCLING.—(1)(A) The Secretary of Transportation, Secretary of State, and Administrator of the Environmental Protection Agency shall jointly carry out one or more pilot programs through the Maritime Administration to explore the feasibility and advisability of various alternatives for exporting obsolete vessels in the National Defense Reserve Fleet for purposes of the dismantlement and recycling of such vessels.

(B) The pilot programs shall be carried out in accordance with applicable provisions of law and regulations.

(2)(A) The pilot programs under paragraph (1) shall be carried out during fiscal year 2003.

(B) The pilot programs shall include a total of not more than four vessels.

(C) The authority provided by this subsection is in addition to any other authority available to Maritime Administration for exporting obsolete vessels in the National Defense Reserve Fleet.

(3) Activities under the pilot programs under paragraph (1) shall include the following:

(A) Exploration of the feasibility and advisability of a variety of alternatives (developed for purposes of the pilot programs) for exporting obsolete vessels in the National Defense Reserve Fleet for purposes of the dismantlement and recycling of such vessels.

(B) Response by the Maritime Administration to proposals from the international ship recycling industry for innovative and cost-effective disposal solutions for obsolete vessels in the National Defense Reserve Fleet, including an evaluation of the feasibility and advisability of such proposals.

(C) Demonstration of the extent to which the cost-effective dismantlement or recycling of obsolete vessels in the National Defense Reserve Fleet can be accomplished abroad in manner that appropriately addresses concerns regarding worker health and safety and the environment.

(D) Opportunities to transfer abroad processes, methodologies, and technologies for ship dismantlement and recycling in order to support the pilot programs and to improve international practices and standards for ship dismantlement and recycling.

(E) Exploration of cooperative efforts with foreign governments (under a global action program on ship recycling or other program) in order to foster economically and environmentally sound ship recycling abroad.

(4) The Secretary of Transportation shall submit to Congress a report on the pilot programs under paragraph (1) through the exist-

ing ship disposal reporting requirements in section 3502 of Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001. The report shall include a description of the activities under the pilot programs, and such recommendations for further legislative or administrative action as the Secretary considers appropriate.

(d) CONSTRUCTION.—Nothing in this section shall be construed to establish a preference for the reefing or export of obsolete vessels in the National Defense Reserve Fleet over other alternatives available to the Secretary for the scrapping of such vessels under section 3502(d)(3) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

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. 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. 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 authoriza-

tion 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.

And the House agree to the same.

From the Committee on Armed Services, for consideration of the House amendment and the Senate amendment, and modifications committed to conference:

BOB STUMP,
DUNCAN HUNTER,
JAMES V. HANSEN,
CURT WELDON,
JOEL HEFLEY,
JIM SAXTON,
JOHN M. MCHUGH,
TERRY EVERETT,
HOWARD P. "BUCK" MCKEON,
J.C. WATTS, Jr.,
MAC THORNBERRY,
JOHN N. HOSTETTLER,
SAXBY CHAMBLISS,
WALTER B. JONES,
VAN HILLEARY,
LINDSEY GRAHAM,
IKE SKELTON,
JOHN M. SPRATT, Jr.,
SOLOMON P. ORTIZ,
LANE EVANS,
MARTIN T. MEEHAN,
ROBERT A. UNDERWOOD,
THOMAS ALLEN,
SILVESTRE REYES,
JIM TURNER,
ELLEN O. TAUSCHER,

From the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 11 of rule X:

PORTER J. GOSS,
DOUG BEREUTER,

From the Committee on Education and the Workforce, for consideration of secs. 341–343, and 366 of the House amendment, and secs. 331–333, 542, 656, 1064, and 1107 of the Senate amendment, and modifications committed to conference:

JOHNNY ISAKSON,
JOE WILSON,
GEORGE MILLER,

From the Committee on Government Reform, for consideration of secs. 323, 804, 805, 1003, 1004, 1101–1106, 2811, and 2813 of the House amendment, and secs. 241, 654, 817, 907, 1007–1009, 1061, 1101–1106, 2811, and 3173 of the Senate amendment, and modifications committed to conference:

DAN BURTON,
DAVE WELDON,

From the Committee on International Relations, for consideration of secs. 1201, 1202, 1204, title XIII, and sec. 3142 of the House amendment, and subtitle A of title XII, secs. 1212–1216, 3136, 3151, and 3156–3161 of the Senate amendment, and modifications committed to conference:

HENRY HYDE,
BENJAMIN A. GILMAN,

From the Committee on the Judiciary, for consideration of secs. 811 and 1033 of the House amendment, and secs. 1067 and 1070 of the Senate amendment, and modifications committed to conference:

LAMAR SMITH,

From the Committee on Resources, for consideration of secs. 311, 312, 601, title XIV, secs 2821, 2832, 2841, and 2863 of the House amendment, and secs. 601, 2821, 2823, 2828, and 2841 of the Senate amendment, and modifications committed to conference:

JOHN J. DUNCAN, Jr.,

From the Committee on Science, for consideration of secs. 244, 246, 1216, 3155, 3163 of the Senate amendment, and modifications committed to conference:

SHERWOOD L. BOEHLERT,
NICK SMITH,
RALPH M. HALL,

From the Committee on Small Business for consideration of secs. 243, 824, and 829 of the Senate amendment, and modifications committed to conference:

DONALD A. MANZULLO,
SUE KELLY,

From the Committee on Transportation and Infrastructure, for consideration of sec. 601 of the House amendment, and secs. 601 and 1063 of the Senate amendment, and modifications committed to conference:

DON YOUNG,
FRANK A. LOBIONDO,
CORRINE BROWN,

From the Committee on Veterans' Affairs, for consideration of secs. 641, 651, 721, 723, 724, 726, 727, and 728 of the House amendment, and secs. 541 and 641 of the Senate amendment, and modifications committed to conference:

CHRIS SMITH,
Managers on the Part of the House.

CARL LEVIN,
TED KENNEDY,
ROBERT C. BYRD,

JOSEPH I. LIEBERMAN,
MAX CLELAND,
MARY L. LANDRIEU,
JACK REED,
DANIEL K. AKAKA,
BILL NELSON,
BEN NELSON,
JEAN CARNAHAN,
MARK DAYTON,
JEFF BINGAMAN,
JOHN W. WARNER,
STROM THURMOND,
JOHN MCCAIN,
JAMES M. INHOFE,
PAT ROBERTS,
JEFF SESSIONS,
SUSAN COLLINS,
JIM BUNNING,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 4546), to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House amendment struck out the matter proposed to be inserted by the Senate amendment and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the House amendment and the Senate amendment. The differences between the Senate amendment, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SUMMARY STATEMENT OF CONFERENCE ACTIONS

The conferees recommend authorization of appropriations for fiscal year 2003 for the Department of Defense for procurement; research and development; test and evaluation; operation and maintenance; working capital funds; military construction and family housing; and for weapons and environmental restoration programs of the Department of Energy, that have a budget authority implication of $392.9 billion for the national defense function.

This funding level represents a $3.5 billion reduction to the amounts requested by the President to reflect the proper accounting for civilian retirement and health benefits under current law. The administration's budget included $3.5 billion in the national defense function as part of a governmentwide proposal for accrual funding that was not adopted by the committees of jurisdiction within Congress. This reduction of $3.5 billion is an accounting adjustment that does not reduce the amount of funding available for defense programs and would not result in any reduction in benefits for federal civilian employees of the Department of Defense or the Department of Energy.

SUMMARY TABLE OF AUTHORIZATIONS

The defense authorization act provides authorizations for appropriations but does not generally provide budget authority. Budget authority is provided in appropriations acts.

In order to relate the conference recommendations to the Budget Resolution, matters in addition to the dollar authorizations contained in this bill must be taken into account. A number of programs in the national defense function are authorized permanently or, in certain instances, authorized in other legislation.

The following table summarizes authorizations included in the bill for fiscal year 2003 and, in addition, summarizes the implications of the conference action for the budget authority totals for national defense (budget function 050).

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003

(In Thousands of Dollars)

DIVISION A	Authorization Request	House Authorization	Senate Authorization	Conference Authorization	Budget Authority Implication: FY 2003 Request	House Authorization	Senate Authorization	Conference Change to Request	Conference Authorization
Title I -- PROCUREMENT									
Aircraft Procurement, Army	2,061,027	2,300,327	2,147,386	2,186,296	2,061,027	2,300,327	2,147,386	125,269	2,186,296
Missile Procurement, Army	1,642,296	1,758,896	1,653,150	1,152,299	1,642,296	1,758,896	1,653,150	-489,997	1,152,299
Procurement of Weapons & Tracked Combat Vehicles	2,248,558	2,372,958	2,242,882	2,276,751	2,248,558	2,372,958	2,242,882	28,193	2,276,751
Procurement of Ammunition, Army	1,159,426	1,320,026	1,205,499	1,229,533	1,159,426	1,320,026	1,205,499	70,107	1,229,533
Other Procurement, Army	5,168,453	6,130,147	5,513,679	5,857,814	5,168,453	6,130,147	5,513,679	689,361	5,857,814
Aircraft Procurement, Navy	8,203,955	9,077,555	9,037,209	8,979,275	8,203,955	9,077,555	9,037,209	775,320	8,979,275
Weapons Procurement, Navy	1,832,617	2,514,617	2,505,820	2,375,349	1,832,617	2,514,617	2,505,820	542,732	2,375,349
Shipbuilding & Conversion, Navy	8,191,194	9,279,494	8,624,160	9,111,023	8,191,194	9,279,494	8,624,160	919,829	9,111,023
Procurement of Ammunition, Navy & Marine Corps	1,015,153	1,200,053	1,173,157	1,170,750	1,015,153	1,200,053	1,173,157	155,597	1,170,750
Other Procurement, Navy	4,347,024	4,527,763	4,514,500	4,494,754	4,347,024	4,527,763	4,514,500	147,730	4,494,754
Procurement, Marine Corps	1,288,383	1,377,183	1,343,119	1,355,491	1,288,383	1,377,183	1,343,119	67,108	1,355,491
Aircraft Procurement, Air Force	12,067,405	12,737,305	12,611,705	12,676,505	12,067,405	12,737,305	12,611,705	609,100	12,676,505
Missile Procurement, Air Force	3,575,162	3,482,639	3,258,162	3,504,139	3,575,162	3,482,639	3,258,162	-71,023	3,504,139
Procurement of Ammunition, Air Force	1,133,864	1,294,764	1,275,864	1,290,764	1,133,864	1,294,764	1,275,864	156,900	1,290,764
Other Procurement, Air Force	10,523,946	10,918,530	10,478,840	10,846,048	10,523,946	10,918,530	10,478,840	322,102	10,846,048
Procurement, Defense-Wide	2,688,515	3,235,423	3,054,943	3,691,604	2,688,515	3,235,423	3,054,943	1,003,089	3,691,604
Defense Production Act Purchases	0	0	0	0	73,057	73,057	73,057	0	73,057
Chemical Agents & Munitions Destruction, Army	1,490,199	0	0	0	1,490,199	0	0	-1,490,199	0
Chemical Agents & Munitions Destruction, Defense	0	1,490,199	1,490,199	1,490,199	0	1,490,199	1,490,199	1,490,199	1,490,199
Office of the Inspector General	2,000	2,000	2,000	2,000	0	0	0	0	0
Defense Health Program	278,742	278,742	278,742	278,742	0	0	0	0	0
TOTAL PROCUREMENT	**68,917,919**	**75,298,621**	**72,411,016**	**73,969,336**	**68,710,234**	**75,090,936**	**72,203,331**	**5,051,417**	**73,761,651**
Title II -- RESEARCH, DEVELOPMENT, TEST & EVALUATION									
RDT&E, Army	6,918,494	6,933,319	7,301,433	7,158,256	6,918,494	6,933,319	7,301,433	239,762	7,158,256
RDT&E, Navy	12,501,630	13,274,540	12,913,135	13,244,164	12,501,630	13,274,540	12,913,135	742,534	13,244,164
RDT&E, Air Force	17,601,233	18,803,184	18,611,184	18,337,078	17,601,233	18,803,184	18,611,184	735,845	18,337,078
RDT&E, Defense-Wide	16,613,551	17,516,337	17,186,873	17,659,099	16,613,551	17,516,337	17,186,873	1,045,548	17,659,099
Operational Test & Evaluation, Defense	222,054	222,054	361,554	311,554	222,054	222,054	361,554	89,500	311,554
Defense Health Program	67,214	67,214	67,214	67,214	0	0	0	0	0
TOTAL RDT&E	**53,924,176**	**56,816,648**	**56,441,393**	**56,777,365**	**53,856,962**	**56,749,434**	**56,374,179**	**2,853,189**	**56,710,151**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003

(In Thousands of Dollars)

	Authorization Request	House Authorization	Senate Authorization	Conference Authorization	Budget Authority Implication: FY 2003 Request	House Authorization	Senate Authorization	Conference Change to Request	Conference Authorization
Title III -- OPERATION AND MAINTENANCE									
Operation and Maintenance, Army	24,581,055	24,174,003	24,171,542	23,922,251	24,581,055	24,174,003	24,171,542	-658,804	23,922,251
Operation and Maintenance, Navy	29,028,813	29,434,126	29,370,461	29,264,939	29,028,813	29,434,126	29,370,461	236,126	29,264,939
Operation and Maintenance, Marine Corps	3,357,952	3,599,912	3,558,732	3,559,636	3,357,952	3,599,912	3,558,732	201,684	3,559,636
Operation and Maintenance, Air Force	27,304,623	27,816,684	27,442,964	27,419,488	27,304,623	27,816,684	27,442,964	114,865	27,419,488
Operation and Maintenance, Defense-Wide	14,515,304	14,375,037	14,482,266	14,145,310	14,515,304	14,375,037	14,482,266	-369,994	14,145,310
Operation and Maintenance, Army Reserve	1,923,330	1,918,110	1,956,610	1,985,110	1,923,330	1,918,110	1,956,610	61,780	1,985,110
Operation and Maintenance, Navy Reserve	1,165,961	1,233,759	1,233,759	1,233,759	1,165,961	1,233,759	1,233,759	67,798	1,233,759
Operation and Maintenance, Marine Corps Reserve	185,532	185,532	190,532	189,532	185,532	185,532	190,532	4,000	189,532
Operation and Maintenance, Air Force Reserve	2,190,917	2,194,719	2,165,004	2,160,604	2,190,917	2,194,719	2,165,004	-30,313	2,160,604
Operation and Maintenance, Army National Guard	4,136,822	4,300,767	4,498,767	4,155,067	4,136,822	4,300,767	4,498,767	18,245	4,155,067
Operation and Maintenance, Air National Guard	4,150,961	4,077,845	4,114,910	4,104,810	4,150,961	4,077,845	4,114,910	-46,151	4,104,810
Office of the Inspector General	163,440	155,165	155,165	155,165	165,440	157,165	157,165	-8,275	157,165
US Court of Appeals, Armed Forces	9,925	9,614	9,614	9,614	9,925	9,614	9,614	-311	9,614
Environmental Restoration, Army	395,900	395,900	395,900	395,900	395,900	395,900	395,900	0	395,900
Environmental Restoration, Navy	256,948	256,948	256,948	256,948	256,948	256,948	256,948	0	256,948
Environmental Restoration, Air Force	389,773	389,773	389,773	389,773	389,773	389,773	389,773	0	389,773
Environmental Restoration, Defense	23,498	23,498	23,498	23,498	23,498	23,498	23,498	0	23,498
Environmental Restoration, Formerly Used Defense Sites	212,102	212,102	252,102	252,102	212,102	212,102	252,102	40,000	252,102
Overseas Humanitarian, Disaster & Civic Aid	58,400	58,400	58,400	58,400	58,400	58,400	58,400	0	58,400
Drug Interdiction & Counter-Drug Activities, Defense	848,907	848,907	873,907	859,907	848,907	848,907	873,907	11,000	859,907
Payment to Kaho'olawe Island Fund	25,000	25,000	25,000	25,000	25,000	25,000	25,000	0	25,000
Defense Health Program	14,360,271	14,242,541	14,202,441	14,123,038	14,706,227	14,588,497	14,548,397	-237,233	14,468,994
Cooperative Threat Reduction	416,700	416,700	416,700	416,700	416,700	416,700	416,700	0	416,700
Overseas Contingency Operations Transfer Fund	50,000	0	50,000	17,844	50,000	0	50,000	-32,156	17,844
Support for International Sporting Competitions	19,000	19,000	19,000	19,000	19,000	19,000	19,000	0	19,000
Department of Defense Travel	0	0	-159,790	0	0	0	-159,790	0	0
Foreign Currency Fluctuations	0	0	-615,200	0	0	0	-615,200	0	0
Kaho'olawe Island Environmental Restoration	0	0	0	0	25,000	25,000	25,000	0	25,000
Restoration of Rocky Mountain Arsenal	0	0	0	0	4,000	4,000	4,000	0	4,000
Disposal of DoD Real Property	0	0	0	0	16,000	16,000	16,000	0	16,000
Lease of DoD Real Property	0	0	0	0	13,700	13,700	13,700	0	13,700
National Science Center, Army	0	0	0	0	30	30	30	0	30
DoD Overseas Military Facility Investment Recovery	0	0	0	0	1,300	1,300	1,300	0	1,300
Defense Burdensharing - Allies/NATO	0	0	0	0	210,000	210,000	210,000	0	210,000
Subtotal OPERATION AND MAINTENANCE	**129,771,134**	**130,364,042**	**129,539,005**	**129,143,395**	**130,389,120**	**130,982,028**	**130,156,991**	**-627,739**	**129,761,381**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003

(In Thousands of Dollars)

	Authorization Request	House Authorization	Senate Authorization	Conference Authorization	Budget Authority Implication: FY 2003 Request	House Authorization	Senate Authorization	Conference Change to Request	Conference Authorization
Defense Emergency Response Fund (DERF)	20,055,000	0	0	0	20,055,000	0	0	-20,055,000	0
TOTAL O&M and DERF	**149,826,134**	**130,364,042**	**129,539,005**	**129,143,395**	**150,444,120**	**130,982,028**	**130,156,991**	**-20,682,739**	**129,761,381**
REVOLVING AND MANAGEMENT FUNDS									
Pentagon Reservation Maintenance Revolving Fund	0	0	328,000	328,000	0	0	328,000	328,000	328,000
Defense Working Capital Funds	1,341,970	508,167	387,156	387,156	1,341,970	508,167	387,156	-954,814	387,156
National Defense Sealift Fund	934,129	934,129	934,129	934,129	934,129	934,129	934,129	0	934,129
Defense Commissary Working Capital Fund	996,789	996,789	969,200	969,200	996,789	996,789	969,200	-27,589	969,200
Total REVOLVING AND MANAGEMENT FUNDS	**3,272,888**	**2,439,085**	**2,618,485**	**2,618,485**	**3,272,888**	**2,439,085**	**2,618,485**	**-654,403**	**2,618,485**
TOTAL O&M and REVOLVING FUNDS (TITLE III)	**153,099,022**	**132,803,127**	**132,157,490**	**131,761,880**	**153,717,008**	**133,421,113**	**132,775,476**	**-21,337,142**	**132,379,866**
MILITARY PERSONNEL	**0**	**94,228,128**	**94,354,008**	**93,829,525**	**94,295,658**	**94,228,128**	**94,354,008**	**-466,133**	**93,829,525**
Title X -- GENERAL PROVISIONS									
Transfer from Ballistic Missile Defense	0	0	-690,000	0	0	0	-690,000	0	0
Transfer to Shipbuilding Programs	0	0	690,000	0	0	0	690,000	0	0
Missile Defense/CombatingTerrorism	0	0	814,300	0	0	0	814,300	0	0
Inflation Savings	0	0	-814,300	-1,000,000	0	0	-814,300	-1,000,000	-1,000,000
TOTAL GENERAL PROVISIONS	**0**	**0**	**0**	**-1,000,000**	**0**	**0**	**0**	**-1,000,000**	**-1,000,000**
Title XV -- WAR AGAINST TERRORISM									
Contingent Authorization, Cost of War	0	0	10,000,000	0	0	0	10,000,000	0	0
Operations	0	3,544,682	0	0	0	3,544,682	0	0	0
Equipment Replacement & Enhacement	0	1,000,000	0	0	0	1,000,000	0	0	0
Classified Programs	0	1,980,674	0	0	0	1,980,674	0	0	0
Procurement of Munitions	0	200,000	0	0	0	200,000	0	0	0
War on Terrorism	0	0	0	10,000,000	0	0	0	10,000,000	10,000,000
TOTAL Title XV	**0**	**6,725,356**	**10,000,000**	**10,000,000**	**0**	**6,725,356**	**10,000,000**	**10,000,000**	**10,000,000**
TOTAL DIVISION A	**275,941,117**	**365,871,880**	**365,363,907**	**365,338,106**	**370,579,862**	**366,214,967**	**365,706,994**	**-4,898,669**	**365,681,193**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003

(In Thousands of Dollars)

	Authorization Request	House Authorization	Senate Authorization	Conference Authorization	Budget Authority Implication: FY 2003 Request	House Authorization	Senate Authorization	Conference Change to Request	Conference Authorization
DIVISION B									
MILITARY CONSTRUCTION									
Military Construction, Army	1,476,521	1,530,033	1,612,912	1,640,047	1,476,521	1,530,033	1,612,912	163,526	1,640,047
Military Construction, Navy	895,131	1,268,565	1,235,338	1,297,298	895,131	1,268,565	1,235,338	402,167	1,297,298
Military Construction, Air Force	644,090	933,221	1,065,610	1,044,277	644,090	933,221	1,065,610	400,187	1,044,277
Military Construction, Defense-Wide	687,535	779,896	721,959	806,355	740,535	832,896	774,959	118,820	859,355
Military Construction, Army National Guard	101,595	170,793	195,588	236,236	101,595	170,793	195,588	134,641	236,236
Military Construction, Air National Guard	53,473	119,266	222,459	204,215	53,473	119,266	222,459	150,742	204,215
Military Construction, Army Reserve	58,779	86,789	62,992	99,399	58,779	86,789	62,992	40,620	99,399
Military Construction, Naval Reserve	51,554	66,971	58,671	75,801	51,554	66,971	58,671	24,247	75,801
Military Construction, Air Force Reserve	31,900	68,576	59,883	85,649	31,900	68,576	59,883	53,749	85,649
Base Realignment & Closure, Army	149,878	0	0	0	149,878	0	0	-149,878	0
Base Realignment & Closure, Navy	258,940	0	0	0	258,940	0	0	-258,940	0
Base Realignment & Closure, Air Force	136,320	0	0	0	136,320	0	0	-136,320	0
Base Realignment & Closure, Defense	0	545,138	545,138	561,138	0	545,138	545,138	561,138	561,138
NATO Security Investment Program	168,200	168,200	168,200	167,200	168,200	168,200	168,200	-1,000	167,200
TOTAL MILITARY CONSTRUCTION	**4,713,916**	**5,737,448**	**5,948,750**	**6,217,615**	**4,766,916**	**5,790,448**	**6,001,750**	**1,503,699**	**6,270,615**
FAMILY HOUSING									
Family Housing Construction, Army	283,346	278,426	283,346	280,356	283,346	278,426	283,346	-2,990	280,356
Family Housing Operations and Debt, Army	1,122,274	1,122,274	1,114,087	1,101,087	1,122,274	1,122,274	1,114,087	-21,187	1,101,087
Family Housing Construction, Navy & Marine Corps	375,700	377,616	375,700	376,468	375,700	377,616	375,700	768	376,468
Family Housing Operations & Debt, Navy & Marine Corps	867,788	867,788	865,136	859,136	867,788	867,788	865,136	-8,652	859,136
Family Housing Construction, Air Force	676,694	681,042	676,694	684,824	676,694	681,042	676,694	8,130	684,824
Family Housing Operations & Debt, Air Force	844,419	874,050	865,268	854,268	844,419	874,050	865,268	9,849	854,268
Family Housing Construction, Defense-Wide	5,480	5,480	5,480	5,480	5,480	5,480	5,480	0	5,480
Family Housing Operations & Debt, Defense-Wide	42,432	42,432	42,395	42,395	42,432	42,432	42,395	-37	42,395
DoD Family Housing Improvement Fund	2,000	2,000	2,000	2,000	2,000	2,000	2,000	0	2,000
TOTAL FAMILY HOUSING	**4,220,133**	**4,251,108**	**4,230,106**	**4,206,014**	**4,220,133**	**4,251,108**	**4,230,106**	**-14,119**	**4,206,014**
Prior Year Savings								-33,700	-33,700
TOTAL DIVISION B	**8,934,049**	**9,988,556**	**10,178,856**	**10,423,629**	**8,987,049**	**10,041,556**	**10,231,856**	**1,455,880**	**10,442,929**
Mandatory Programs	0	-57,000	-18,000	0	-1,324,870	-1,391,870	-1,342,870	0	-1,324,870
TOTAL DEPARTMENT OF DEFENSE (051)	**284,875,166**	**375,803,436**	**375,524,763**	**375,761,735**	**378,242,041**	**374,864,653**	**374,595,980**	**-3,442,789**	**374,799,252**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003

(In Thousands of Dollars)

	Authorization Request	House Authorization	Senate Authorization	Conference Authorization	Budget Authority Implication: FY 2003 Request	House Authorization	Senate Authorization	Conference Change to Request	Conference Authorization
DIVISION C									
National Nuclear Security Administration									
Weapons Activities	5,869,379	5,937,000	5,988,188	5,901,641	5,869,379	5,937,000	5,988,188	32,262	5,901,641
Defense Nuclear Nonproliferation	1,113,630	1,074,630	1,129,130	1,104,130	1,113,630	1,074,630	1,129,130	-9,500	1,104,130
Naval Reactors	708,020	706,790	707,020	706,790	708,020	706,790	707,020	-1,230	706,790
Office of the Administrator	347,705	315,929	335,705	325,929	347,705	315,929	335,705	-21,776	325,929
Total National Nuclear Security Administration	**8,038,734**	**8,034,349**	**8,160,043**	**8,038,490**	**8,038,734**	**8,034,349**	**8,160,043**	**-244**	**8,038,490**
Defense Environmental Restoration & Waste Management	4,558,360	4,544,133	4,601,460	4,510,133	4,558,360	4,544,133	4,601,460	-48,227	4,510,133
Defense Environmental Cleanup Reform	800,000	800,000	1,000,000	982,000	800,000	800,000	1,000,000	182,000	982,000
Defense Facilities Closure Projects	1,091,314	1,091,314	1,109,314	1,109,314	1,091,314	1,091,314	1,109,314	18,000	1,109,314
Defense Environmental Management Privatization	158,399	158,399	158,399	158,399	158,399	158,399	158,399	0	158,399
Other Defense Activities	472,156	457,664	489,883	462,664	472,156	457,664	489,883	-9,492	462,664
Defense Nuclear Waste Disposal	315,000	315,000	215,000	315,000	315,000	315,000	215,000	0	315,000
Total DOE/NNSA Discretionary Authorizations	**15,433,963**	**15,400,859**	**15,734,099**	**15,576,000**	**15,433,963**	**15,400,859**	**15,734,099**	**142,037**	**15,576,000**
Energy Employees Compensation Admin Expenses	0	0	0	-2,000	107,000	105,000	105,000	-2,000	105,000
Energy Employees Illness Compensation	0	0	0	0	662,000	662,000	662,000	0	662,000
TOTAL DEPARTMENT OF ENERGY / NNSA	**15,433,963**	**15,400,859**	**15,734,099**	**15,574,000**	**16,202,963**	**16,167,859**	**16,501,099**	**140,037**	**16,343,000**
Defense Nuclear Facilities Safety Board	19,494	19,000	19,494	19,000	19,494	19,000	19,494	-494	19,000
Formerly Used Sites Remedial Action Program	0	0	140,000	0	141,000	141,000	140,000	-1,000	140,000
TOTAL DIVISION C (053)	**15,453,457**	**15,419,859**	**15,893,593**	**15,593,000**	**16,363,457**	**16,327,859**	**16,660,593**	**138,543**	**16,502,000**
OTHER DEFENSE ACTIVITIES									
Discretionary Programs					1,227,000	1,176,000	1,227,000	-20,000	1,207,000
Mandatory Programs					494,000	396,000	351,893	-128,000	366,000
TOTAL DEFENSE RELATED ACTIVITIES (054)	**0**	**0**	**0**	**0**	**1,721,000**	**1,572,000**	**1,578,893**	**-148,000**	**1,573,000**
TOTAL NATIONAL DEFENSE FUNCTION (050)	**300,328,623**	**391,223,295**	**391,418,356**	**391,354,735**	**396,326,498**	**392,764,512**	**392,835,466**	**-3,452,246**	**392,874,252**

CONGRESSIONAL DEFENSE COMMITTEES

The term "congressional defense committees" is often used in this statement of managers. It means the Defense Authorization and Appropriations Committees of the Senate and the House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Procurement overview

The budget request for fiscal year 2003 included an authorization of $68,917.9 million for Procurement for the Department of Defense.

The House bill would authorize $75,298.6 million.

The Senate amendment would authorize $73,101.0 million.

The conferees recommend an authorization of $73,969.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003

(In Thousands of Dollars)

	Authorization Request	House Authorization	Senate Authorization	Conference Change	Conference Authorization
DIVISION A					
Title I -- PROCUREMENT					
Aircraft Procurement, Army	2,061,027	2,300,327	2,147,386	125,269	2,186,296
Missile Procurement, Army	1,642,296	1,758,896	1,653,150	-489,997	1,152,299
Procurement of W&TCV, Army	2,248,558	2,372,958	2,242,882	28,193	2,276,751
Procurement of Ammunition, Army	1,159,426	1,320,026	1,205,499	70,107	1,229,533
Other Procurement, Army	5,168,453	6,130,147	5,513,679	689,361	5,857,814
Aircraft Procurement, Navy	8,203,955	9,077,555	9,037,209	775,320	8,979,275
Weapons Procurement, Navy	1,832,617	2,514,617	2,505,820	542,732	2,375,349
Procurement of Ammunition, Navy & Marine Corps	1,015,153	1,200,053	1,173,157	155,597	1,170,750
Shipbuilding and Conversion, Navy	8,191,194	9,279,494	9,314,160	919,829	9,111,023
Other Procurement, Navy	4,347,024	4,527,763	4,514,500	147,730	4,494,754
Procurement, Marine Corps	1,288,383	1,377,183	1,343,119	67,108	1,355,491
Aircraft Procurement, Air Force	12,067,405	12,737,305	12,611,705	609,100	12,676,505
Procurement of Ammunition, Air Force	1,133,864	1,294,764	1,275,864	156,900	1,290,764
Missile Procurement, Air Force	3,575,162	3,482,639	3,258,162	-71,023	3,504,139
Other Procurement, Air Force	10,523,946	10,918,530	10,478,840	322,102	10,846,048
Procurement, Defense-Wide	2,688,515	3,235,423	3,054,943	1,003,089	3,691,604
National Guard & Reserve Equipment	0	0	0	0	0
Defense Inspector General	2,000	2,000	2,000	0	2,000
Chemical Agents & Munitions Destruction, Army	1,490,199	0	0	-1,490,199	0
Chemical Agents & Munitions Destruction, Defense	0	1,490,199	1,490,199	1,490,199	1,490,199
Defense Health Program	278,742	278,742	278,742	0	278,742
TOTAL PROCUREMENT	**68,917,919**	**75,298,621**	**73,101,016**	**5,051,417**	**73,969,336**

Aircraft Procurement, Army—Overview

The budget request for fiscal year 2003 included an authorization of $2,061.0 million for Aircraft Procurement, Army in the Department of Defense.

The House bill would authorize $2,300.3 million.

The Senate amendment would authorize $2,147.4 million.

The conferees recommend an authorization of $2,186.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
	Aircraft Procurement, Army										
	Fixed Wing										
1	UTILITY F/W (MR) AIRCRAFT										
	Rotary Wing										
2	UH-60 BLACK HAWK (MYP)	12	153,361	20	268,661	21	249,661	8	111,300	20	264,661
	UH-60L ARNG				[5 / 52,600]						
	UH-60L - unspecified								[6 / 64,900]		
	HH-60L MEDEVAC ARNG				[3 / 47,700]						
	HH-60L MEDEVAC - unspecified								[2 / 31,400]		
	UH-60L simulator				[15,000]				[15,000]		
	UH-60 - unspecified						[9 / 96,300]				
3	UH-60 BLACK HAWK (MYP) (AP-CY)		26,859		26,859		26,859				26,859
4	HELICOPTER NEW TRAINING			6	9,600			6	9,600	6	9,600
	TH-67				[6 / 9,600]				[6 / 9,600]		
	Modification of Aircraft										
5	GUARDRAIL MODS (TIARA)		9,229		14,229		14,229		5,000		14,229
	Guardrail Mods (TIARA) (Transfer from DERF)				[5,000]		[5,000]		[5,000]		
6	ARL MODS (TIARA)		20,873		20,873		20,873				20,873

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
7	AH-64 MODS		93,622		132,622		93,622		3,280		96,902
	Digital source collector (DSC) / health usage monitoring system (HUMS)				[8,000]						
	Oil debris detection system (ODDS)				[5,000]				[2,000]		
	Combination magazine / crashworthy fuel tanks				[18,000]						
	Tactical engagement simulation system (TESS) ARNG				[8,000]						
	HGU-56P integrated helmet & display sight subsystem (IHADSS)								[1,280]		
8	CH-47 CARGO HELICOPTER MODS		382,061		395,561		384,061		1,000		383,061
	Crashworthy crew seats				[13,500]				[1,000]		
	COTS crashworthy crew seats						[2,000]				
9	CH-47 CARGO HELICOPTER MODS (MYP) (AP-CY)		21,185		21,185		21,185				21,185
10	CH-47 ICH										
11	UTILITY/CARGO AIRPLANE MODS		16,954		16,954		16,954				16,954
12	OH-58 MODS		460		460		460				460
13	AIRCRAFT LONG RANGE MODS		744		744		744				744

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
14	LONGBOW		865,781		865,781		865,781				865,781
15	LONGBOW (AP-CY)		29,713		29,713		29,713				29,713
16	UH-1 MODS										
17	UH-60 MODS		41,863		49,863		44,863		6,500		48,363
	Crashworthy fuel tanks -- active / ARNG				[6,000]				[3,500]		
	Deicing system upgrade				[2,000]						
	UH-60L SAR upgrades Oregon ARNG						[3,000]				
	Army SAR mods								[3,000]		
18	KIOWA WARRIOR		42,406		42,406		42,406				42,406
19	AIRBORNE AVIONICS		97,003		97,003		97,003				97,003
20	ASE MODS (SIRFC)										
21	GATM										
22	GATM ROLLUP		70,414		70,414		70,414				70,414
	Spares and Repair Parts										
23	SPARE PARTS (AIR)		7,697		7,697		7,697				7,697
	Support Equipment and Facilities										
	Ground Support Avionics										

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
24	AIRCRAFT SURVIVABILITY EQUIPMENT				5,000		8,000		6,000		6,000
	AN / AVR-2A laser detecting sets				[5,000]				[6,000]		
	Laser detecting sets						[8,000]				
25	ASE INFRARED CM										
	Other Support										
26	AIRBORNE COMMAND & CONTROL		27,738		27,738				-17,738		10,000
	Transfer to PE 64818A (RDA 121)						[-10,000]		[-17,738]		
	Reduction: system not ready for LRIP						[-17,738]				
27	AVIONICS SUPPORT EQUIPMENT		7,494		15,494		12,494		4,000		11,494
	Aviator night vision imaging system (ANVIS) goggles				[8,000]				[4,000]		
	Aviator night vision imaging system						[5,000]				
28	COMMON GROUND EQUIPMENT		18,091		18,091		18,091				18,091
29	AIRCREW INTEGRATED SYSTEMS		15,215		42,615		15,215				15,215
	Cockpit airbag systems (CABS)				[26,100]						
	HGU-56P integrated helmet & display sight subsystem (IHADSS)				[1,300]						
30	AIR TRAFFIC CONTROL		64,410		64,410		64,410				64,410
31	INDUSTRIAL FACILITIES		704		704		704				704
32	LAUNCHER, 2.75 ROCKET		2,677		2,677		2,677				2,677

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
33	AIRBORNE COMMUNICATIONS		44,473		52,973		44,473				44,473
	AN / ARC-220 HF radios				[8,500]						
34	CLOSED ACCOUNT ADJUSTMENT										
34a	Contract services savings						-5,203		-3,673		-3,673
	Total - Aircraft Procurement, Army		**2,061,027**		**2,300,327**		**2,147,386**		**125,269**		**2,186,296**

Missile Procurement, Army—Overview

The budget request for fiscal year 2003 included an authorization of $1,642.3 million for Missile Procurement, Army in the Department of Defense.

The House bill would authorize $1,758.9 million.

The Senate amendment would authorize $1,653.2 million.

The conferees recommend an authorization of $1,152.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
	Missile Procurement, Army										
	Surface-to-air Missile System										
1	PATRIOT SYSTEM SUMMARY	72	471,670	96	536,670	72	471,670	-72	-471,670		
	Additional PAC-3 missiles			[24 / 65,000]							
	Transfer program to MDA (PDW 23)							[-72 / -471,670]			
2	STINGER SYSTEM SUMMARY	160	30,893	160	30,893	160	30,893			160	30,893
3	AVENGER SYSTEM SUMMARY										
	Air-to-surface Missile System										
4	HELLFIRE SYS SUMMARY	1,797	184,396	1,797	224,396	1,797	184,396			1,797	184,396
	Laser Hellfire II missiles				[40,000]						
	Anti-tank/Assault Missile System										
5	JAVELIN (AAWS-M) SYSTEM SUMMARY	1,725	250,506	1,725	250,506	1,725	250,506			1,725	250,506
6	LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM	144	17,937	144	17,937	144	17,937			144	17,937
7	LINE OF SIGHT ANTI-TANK (LOSAT) SYSTEM SUM (AP-CY)										
8	MLRS ROCKET										
9	GUIDED MLRS ROCKET (GMLRS)	108	29,698	108	29,698	108	44,698	72	15,000	180	44,698
	Additional missiles						[15,000]	[72 / 15,000]			

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10	MLRS REDUCED RANGE PRACTICE ROCKETS (RRPR)	5,646	15,924	5,646	15,924	5,646	15,924			5,646	15,924
11	MLRS LAUNCHER SYSTEMS	35	141,131	35	141,131	35	141,131		-4,000	35	137,131
	Reduce programmed growth								[-4,000]		
12	HIMARS LAUNCHER	34	128,402	34	128,402	34	128,402			34	128,402
13	ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM		9,050		47,050		9,050				9,050
	Quick reaction program (QRP) missiles				[38,000]						
14	ATACMS BLKII SYSTEM SUMMARY		49,687		23,287		49,687		-26,400		23,287
	Engineering services / production engineering support				[-26,400]				[-26,400]		
	Modification of Missiles										
15	PATRIOT MODS		151,307		151,307		151,307				151,307
16	STINGER MODS		1,492		1,492		1,492				1,492
17	AVENGER MODS										
18	ITAS/TOW MODS		59,962		59,962		59,962				59,962
19	MLRS MODS		31,734		31,734		31,734				31,734
	Spares and Repair Parts										
20	SPARES AND REPAIR PARTS		55,924		55,924		55,924				55,924

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	Support Equipment and Facilities										
21	AIR DEFENSE TARGETS		3,408		3,408		3,408				3,408
22	ITEMS LESS THAN $5.0M (MISSILES)		907		907		907				907
23	MISSILE DEMILITARIZATION		4,895		4,895		4,895				4,895
24	PRODUCTION BASE SUPPORT		3,373		3,373		3,373				3,373
24a	Contract services savings						-4,146		-2,927		-2,927
	Total - Missile Procurement Army		**1,642,296**		**1,758,896**		**1,653,150**		**-489,997**		**1,152,299**

Procurement of Weapons and Tracked Combat Vehicles, Army—Overview

The budget request for fiscal year 2003 included an authorization of $2,248.6 million for Procurement of Weapons and Tracked Combat Vehicles, Army in the Department of Defense.

The House bill would authorize $2,373.0 million.

The Senate amendment would authorize $2,242.9 million.

The conferees recommend an authorization of $2,276.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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	Procurement of Weapons and Tracked Combat Vehicles, Army										
	Tracked Combat Vehicles										
1	ABRAMS TRNG DEV MOD		5,504		5,504		5,504				5,504
2	BRADLEY BASE SUSTAINMENT		397,053	45	457,053		397,053	45	60,000	45	457,053
	A0 to A2ODS upgrades for ARNG				[45 / 60,000]				[45 / 60,000]		
3	BRADLEY BASE SUSTAINMENT (AP-CY)										
4	BRADLEY FVS TRAINING DEVICES										
5	HAB TRAINING DEVICES										
6	BRADLEY FVS TRAINING DEVICES (MOD)		8,532		8,532		8,532				8,532
7	ABRAMS TANK TRAINING DEVICES		12,061		12,061		12,061				12,061
8	INTERIM ARMORED VEHICLE (IAV) FAMILY	332	811,831	332	811,831	332	811,831		-23,800	332	788,031
	IAV - mobile gun system testing -- transfer to PE 63653A (RDA 59)								[-23,800]		
9	COMMAND & CONTROL VEHICLE										
	Modification of Tracked Combat Vehicles										

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10	CARRIER, MOD		60,305		60,305		60,305		-10,000		50,305
	T150 track upgrades for US-based counterattack corps				[-45,400]						
	M113A3 upgrades				[45,400]						
	Reduce programmed growth								[-10,000]		
11	FIST VEHICLE (MOD)		6,966		6,966		6,966				6,966
12	MOD OF IN-SVC EQUIP, FIST VEHICLE		692		692		692				692
13	BFVS SERIES (MOD)		35,033		35,033		35,033				35,033
14	HOWITZER, MED SP FT 155MM M109A6 (MOD)		17,361		17,361		17,361				17,361
15	FAASV PIP TO FLEET		2,944		2,944		2,944				2,944
16	IMPROVED RECOVERY VEHICLE (M88 MOD)	16	50,311	31	96,111	16	50,311			16	50,311
	M88A2 upgrades for ARNG				[15 / 45,800]						
17	HEAVY ASSAULT BRIDGE (HAB) SYS (MOD)										
18	ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD)		10,021		10,021		10,021				10,021
19	M1 ABRAMS TANK (MOD)		191,413		191,413		191,413				191,413
20	M1A1D RETROFIT										
21	SYSTEM ENHANCEMENT PGM: SEP M1A2	31	123,697	31	123,697	31	123,697			31	123,697
22	ABRAMS UPGRADE PROGRAM		376,268		376,268		376,268				376,268
23	ABRAMS UPGRADE PROGRAM (AP-CY)										

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	Support Equipment and Facilities										
24	ITEMS LESS THAN $5.0M (TCV-WTCV)		146		146		146				146
25	PRODUCTION BASE SUPPORT (TCV-WTCV)		9,900		9,900		9,900				9,900
	Weapons and Other Combat Vehicles										
26	ARMOR MACHINE GUN, 7.62MM M240 SERIES	2,217	21,334	2,217	21,334	2,217	21,334			2,217	21,334
27	MACHINE GUN, 5.56MM (SAW)				18,600				6,000		6,000
	M249 squad automatic weapon (SAW)				[18,600]				[6,000]		
28	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	669	16,663	669	16,663	669	16,663			669	16,663
29	81MM MORTAR (ROLL)	138	9,821	138	9,821	138	9,821			138	9,821
30	M16 RIFLE	5,631	3,104	5,631	3,104	5,631	3,104			5,631	3,104
31	XM107, CAL. 50, SNIPER RIFLE	600	8,913	600	8,913	600	8,913			600	8,913
32	5.56 CARBINE M4	12,505	9,155	12,505	9,155	12,505	9,155			12,505	9,155
33	HOWITZER LT WT 155MM (T)										
	Modification of Weapons and Other Combat Vehicles										
34	MARK-19 MODIFICATIONS		2,743		2,743		2,743				2,743
35	M4 CARBINE MODS		9,267		9,267		9,267				9,267
36	SQUAD AUTOMATIC WEAPON (MOD)		4,119		4,119		4,119				4,119
37	MEDIUM MACHINE GUNS (MODS)										
38	HOWITZER, TOWED, 155MM, M198 (MODS)										

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39	M119 MODIFICATIONS		4,852		4,852		4,852				4,852
40	M16 RIFLE MODS										
41	MODIFICATIONS LESS THAN $5.0M (WOCV-WTCV)		817		817		817				817
	Support Equipment and Facilities										
42	ITEMS LESS THAN $5.0M (WOCV-WTCV)		1,265		1,265		1,265				1,265
43	PRODUCTION BASE SUPPORT (WOCV-WTCV)		5,832		5,832		5,832				5,832
44	INDUSTRIAL PREPAREDNESS		3,246		3,246		3,246				3,246
45	SMALL ARMS (SOLDIER ENH PROG)		1,954		1,954		1,954				1,954
46	CLOSED ACCOUNT ADJUSTMENTS										
	Spares and Repair Parts										
47	SPARES AND REPAIR PARTS (WTCV)		25,435		25,435		25,435				25,435
47a	Contract services savings						-5,676		-4,007		-4,007
	Total - Procurement of WTCV, Army		**2,248,558**		**2,372,958**		**2,242,882**		**28,193**		**2,276,751**

Procurement of Ammunition, Army—Overview

The budget request for fiscal year 2003 included an authorization of $1,159.4 million for Procurement of Ammunition, Army in the Department of Defense.

The House bill would authorize $1,320.0 million.

The Senate amendment would authorize $1,205.5 million.

The conferees recommend an authorization of $1,229.5 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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	Procurement of Ammunition, Army										
	Small/Medium Caliber Ammunition										
1	CTG, 5.56MM, ALL TYPES		89,870		104,175		99,175		13,305		103,175
	CTG, 5.56MM, All Types (Transfer from DERF)				[9,305]		[9,305]		[9,305]		
	Lake City production line upgrade				[5,000]				[4,000]		
2	CTG, 7.62MM, ALL TYPES		15,975		18,174		18,174		2,199		18,174
	CTG, 7.62MM, All Types (Transfer from DERF)				[2,199]		[2,199]		[2,199]		
3	CTG, 9MM, ALL TYPES		13,508		13,508		13,508				13,508
4	CTG, .50 CAL, ALL TYPES		50,575		54,596		58,596		8,021		58,596
	.50 CAL SLAP						[4,000]		[4,000]		
	CTG, .50 CAL, All Types (Transfer from DERF)				[4,021]		[4,021]		[4,021]		
5	CTG, 20MM, ALL TYPES										
6	CTG, 25MM, ALL TYPES		33,087		56,087		33,087		23,000		56,087
	APFSDS-T M919				[23,000]				[23,000]		
7	CTG, 30MM, ALL TYPES		9,795		9,795		9,795				9,795

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8	CTG, 40MM, ALL TYPES		71,703		77,072		77,072		5,369		77,072
	CTG, 40MM, All Types (Transfer from DERF)				[5,369]		[5,369]		[5,369]		
	Mortar Ammunition										
9	60MM MORTAR, ALL TYPES		31,696		31,696		31,696				31,696
10	81MM MORTAR, ALL TYPES		3,582		6,382		4,582		3,800		7,382
	M816				[2,800]				[2,800]		
	M821A1 HE insensitive munition						[1,000]		[1,000]		
11	CTG, MORTAR, 120MM, ALL TYPES		50,425		64,225		50,425		3,000		53,425
	M934A1				[7,800]						
	IR illumination M983				[3,000]						
	Pine Bluff Arsenal production line upgrade				[3,000]				[3,000]		
	Tank Ammunition										
12	CTG TANK 105MM: ALL TYPES		14,100		14,100		14,100				14,100
13	120MM TANK TRAINING, ALL TYPES		154,963		154,963		154,963				154,963
14	CTG, TANK, 120MM TACTICAL, ALL TYPES		43,254		43,254		43,254				43,254
	Artillery Ammunition										
15	CTG ARTY 75MM BLANK M337A1	101	4,201	101	4,201	101	4,201			101	4,201
16	CTG ARTY 105MM DPICM M915										
17	CTG ARTY 105MM M927										

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18	CTG ARTY 105MM ILLUM M314 SERIES	6	5,208	6	5,208	6	5,208			6	5,208
19	PROJ ARTY 155MM SMOKE WP M825										
20	CTG ARTY 105MM HE M1 W/O FUZE		25,200		26,837		26,837		1,637		26,837
	CTG, ARTY 105MM HE M1 W/O Fuze (Transfer from DERF)				[1,637]		[1,637]		[1,637]		
21	PROJECTILE 155 MILLIMETER DP BASEBLED M864 P7		22,300		22,300		22,300				22,300
22	PROJ ARTY 155MM HE M795				24,000						
	Additional funding				[24,000]						
23	REMOTE AREA DENIAL ARTILLERY MUNITION (RADAM)										
24	PROJ ARTY 155MM HE M107	155	30,200	155	30,200	155	31,200		2,500	155	32,700
	M485 Illuminating rounds								[2,500]		
24a	PROJ ARTY 155MM ILLUM M110				10,000						

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25	MODULAR ARTILLERY CHARGE SYSTEM (MACS), ALL TYPES		122,411		142,411		122,411				122,411
	Additional funding				[20,000]						
	Artillery Fuzes										
26	ARTILLERY FUZES, ALL TYPES		69,180		69,180		69,180				69,180
	Mines										
27	MINE, TRAINING, ALL TYPES		12,661		12,661		12,661		-12,661		
	Wide Area Munitions trainers								[-12,661]		
28	MINE AT VOLCANO,: ALL TYPES										
29	WIDE AREA MUNITIONS		12,466		12,466		6,466		-12,466		
	Program termination								[-12,466]		
	Rockets										
30	BUNKER DEFEATING MUNITION (BDM)		7,795		17,795		12,795		5,000		12,795
	BDM - unspecified				[10,000]				[5,000]		
31	ROCKET, HYDRA 70, ALL TYPES		22,400		22,400		22,400				22,400
	Other Ammunition										
32	DEMOLITION MUNITIONS, ALL TYPES		28,001		33,001		32,001		2,000		30,001
	Modern demolition initiators				[5,000]		[4,000]		[2,000]		
33	GRENADES, ALL TYPES		37,552		40,773		40,773		3,221		40,773
	Grenades, All Types (Transfer from DERF)				[3,221]		[3,221]		[3,221]		

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34	SIGNALS, ALL TYPES		11,935		12,881		12,881		946		12,881
	Signals, All Types (Transfer from DERF)				[946]		[946]		[946]		
35	SIMULATORS, ALL TYPES		3,942		3,942		3,942				3,942
	Miscellaneous										
36	AMMO COMPONENTS, ALL TYPES		7,953		7,953		7,953				7,953
37	NON-LETHAL AMMUNITION, ALL TYPES		5,890		5,890		5,890				5,890
38	CAD/PAD ALL TYPES		4,800		4,800		4,800				4,800
39	ITEMS LESS THAN $5 MILLION		8,739		9,041		9,041		302		9,041
	Items Less than $5 Million (Transfer from DERF)				[302]		[302]		[302]		
40	AMMUNITION PECULIAR EQUIPMENT		4,792		4,792		7,792		3,000		7,792
41	FIRST DESTINATION TRANSPORTATION (AMMO)		5,836		5,836		5,836				5,836
42	CLOSEOUT LIABILITIES		10,017		10,017		10,017				10,017
	Ammunition Production Base Support										
43	PROVISION OF INDUSTRIAL FACILITIES		42,655		42,655		42,655				42,655
44	LAYAWAY OF INDUSTRIAL FACILITIES		6,990		6,990		6,990				6,990
45	MAINTENANCE OF INACTIVE FACILITIES		9,082		9,082		9,082				9,082
46	CONVENTIONAL AMMO DEMILITARIZATION		50,030		50,030		60,030		10,000		60,030
	Additional funding						[10,000]		[10,000]		

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47	ARMS INITIATIVE		4,657		24,657		4,657		10,000		14,657
	Additional funding				[20,000]				[10,000]		
47a	Contract services savings						-2,927		-2,066		-2,066
	Total - Procurement of Ammunition, Army		**1,159,426**		**1,320,026**		**1,205,499**		**70,107**		**1,229,533**

Other Procurement, Army—Overview

The budget request for fiscal year 2003 included an authorization of $5,168.5 million for Other Procurement, Army in the Department of Defense.

The House bill would authorize $6,130.1 million.

The Senate amendment would authorize $5,513.7 million.

The conferees recommend an authorization of $5,857.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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	Other Procurement, Army										
	Tactical and Support Vehicles										
	Tactical Vehicles										
1	TACTICAL TRAILERS/DOLLY SETS		8,690		8,690		8,690				8,690
2	SEMITRAILERS, FLATBED		39,095		39,095		39,095				39,095
3	SEMITRAILERS, TANKERS		7,862		7,862		7,862				7,862
4	SEMITRAILER VAN CGO SUPPLY 12T 4WHL M129A2C										
5	HI MOB MULTI-PURP WHLD VEHICLES (HMMWV)		196,783	180	227,883		196,783	180	31,100	180	227,883
	M1114 up armored vehicles - unspecified				[180 / 31,100]				[180 / 31,100]		
6	TRUCK, DUMP, 20T (CCE)	70	17,079	70	17,079	70	17,079			70	17,079
7	FAMILY OF MEDIUM TACTICAL VEHICLES (FMTV)		681,373		681,373		681,373				681,373
8	FIRETRUCKS & ASSOCIATED FIREFIGHTING EQUIPMENT		21,047		21,047		21,047				21,047
9	FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)		242,768		251,768		251,768		9,000		251,768
	Movement tracking system, USAR				[9,000]				[9,000]		
	Movement tracking system, unspecified						[9,000]				
10	ARMORED SECURITY VEHICLES (ASV)	20	14,438	20	14,438	20	14,438			20	14,438

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11	TRUCK, TRACTOR, LINE HAUL, M915/M916		50,829		50,829		50,829				50,829
12	TOWING DEVICE, 5TH WHEEL	40	2,005	40	2,005	40	2,005			40	2,005
13	TRUCK, TRACTOR, YARD TYPE, M878 (C/S)	50	4,884	50	4,884	50	4,884			50	4,884
14	HVY EXPANDED MOBILE TACTICAL TRUCK EXT SERV PROGRAM	652	119,854	652	119,854	652	119,854			652	119,854
15	LINE HAUL ESP										
16	MODIFICATION OF IN SVC EQUIP		73,320		73,320		73,320				73,320
17	ITEMS LESS THAN $5.0M (TAC VEH)		4,979		4,979		4,979				4,979
	Non-tactical Vehicles										
18	HEAVY ARMORED SEDAN	6	581	106	11,281	6	8,881		8,300	6	8,881
	Heavy armored sedan (Transfer from DERF)			[100 / 10,700]			[8,300]		[8,300]		
19	PASSENGER CARRYING VEHICLES		295		295		295				295
20	NONTACTICAL VEHICLES, OTHER	27	1,753	27	1,753	27	1,753			27	1,753
	Communications and Electronics Equipment										
	Comm-Joint Communications										
21	COMBAT IDENTIFICATION PROGRAM										
22	JCSE EQUIPMENT (USREDCOM)		6,120		6,120		6,120				6,120
	Comm-Satellite Communications										
23	DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE)		89,806		89,806		89,806				89,806

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24	SHF TERM		33,166		33,166		33,166		-8,300		24,866
	STAR-T								[-8,300]		
25	SAT TERM, EMUT (SPACE)		2,641		2,641		2,641				2,641
26	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE)		27,510		27,510		27,510				27,510
27	SMART-T (SPACE)		24,467		24,467		24,467				24,467
28	SCAMP (SPACE)		1,559		1,559		1,559				1,559
29	GLOBAL BRDCST SVC - GBS		11,402		11,402		11,402				11,402
30	MOD OF IN-SVC EQUIP (TAC SAT)		11,002		11,002		11,002				11,002
	Comm-C3 System										
31	ARMY GLOBAL CMD & CONTROL SYS (AGCCS)		21,149		21,149		21,149				21,149
	Comm-Combat Communications										
32	ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO)		74,835		74,835		84,835				74,835
	Enhanced position locating & reporting system (EPLRS)						[10,000]				
33	SINCGARS FAMILY		30,141		113,341		30,141		27,100		57,241
	Civil support teams, ARNG (Transfer from DERF)				[22,100]				[22,100]		
	Improved HF radio, USAR				[61,100]				[5,000]		
34	TRACTOR CAGE		4,112		4,112		4,112				4,112

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35	JOINT TACTICAL AREA COMMAND SYSTEMS		869		6,869		869				869
	AN / ARS-6 (V) COTS insertion upgrades				[6,000]						
36	ACUS MOD PROGRAM		75,905		75,905		100,905		25,000		100,905
	Warfighter information network (WIN-T)						[25,000]		[25,000]		
37	COMMS-ELEC EQUIP FIELDING		12,924		12,924		12,924				12,924
38	SOLDIER ENHANCEMENT PROGRAM COMM/ELECTRONICS		6,114		6,114		6,114				6,114
39	COMBAT SURVIVOR EVADER LOCATOR (CSEL)	1,186	16,879	1,186	16,879	1,186	16,879			1,186	16,879
40	MEDICAL COMM FOR CBT CASUALTY CARE (MC4)		4,975		4,975		4,975				4,975
	Comm-Intelligence Communications										
41	CI AUTOMATION ARCHITECTURE		1,755		1,755		1,755				1,755
	Information Security										
42	TSEC - ARMY KEY MGT SYS (AKMS)		10,150		10,150		10,150				10,150

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43	INFORMATION SYSTEM SECURITY PROGRAM-ISSP		39,055		79,755		65,755		28,700		67,755
	Secure digital wireless devices (Transfer from DERF)				[3,000]		[3,000]		[3,000]		
	Intrusion Detection Systems (Transfer from DERF)				[1,700]		[1,700]		[1,700]		
	Firewalls and routers (Transfer from DERF)				[1,900]		[1,900]		[1,900]		
	Configuration management (Transfer from DERF)				[4,400]		[4,400]		[4,400]		
	COMSEC new equipment training (Transfer from DERF)				[15,700]		[15,700]		[15,700]		
	Secure terminal equipment				[14,000]				[2,000]		
	Comm-Long Haul Communications										
44	TERRESTRIAL TRANSMISSION		2,040		2,040		2,040				2,040
45	BASE SUPPORT COMMUNICATIONS		36,725		36,725		36,725				36,725
46	ARMY DISN ROUTER		6,039		6,039		6,039				6,039
47	ELECTROMAG COMP PROG (EMCP)		461		461		461				461
48	WW TECH CON IMP PROG (WWTCIP)		2,991		2,991		2,991				2,991
	Comm-Base Communications										
49	INFORMATION SYSTEMS		279,592		494,592		494,592		180,000		459,592
	Alternate relocation sites (Transfer from DERF)				[215,000]		[215,000]		[215,000]		
	Reduce excessive growth								[-35,000]		

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50	DEFENSE MESSAGE SYSTEM (DMS)		26,829		26,829		26,829				26,829
51	LOCAL AREA NETWORK (LAN)		127,244		127,244		127,244				127,244
52	PENTAGON INFORMATION MGT AND TELECOM		14,501		14,501		14,501				14,501
	Elect Equip-Nat For Int Prog (NFIP)										
53	FOREIGN COUNTERINTELLIGENCE PROG (FCI)		1,624		1,624		3,904				1,624
54	GENERAL DEFENSE INTELL PROG (GDIP)		20,258		26,252		26,252		5,994		26,252
	Classified (Transfer from DERF)				[5,994]		[5,994]		[5,994]		
	Elect Equip-Tact Int Rel Act (TIARA)										
55	ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)		57,886		57,886		57,886				57,886
56	JTT/CIBS-M (TIARA)	13	4,824	13	4,824	13	4,824			13	4,824
57	PROPHET GROUND (TIARA)	46	20,226	46	35,226	46	35,226		15,000	46	35,226
	Prophet Ground (TIARA) (Transfer from DERF)				[15,000]		[15,000]		[15,000]		
58	TACTICAL UNMANNED AERIAL VEHICLE (TUAV)	12	84,290	12	95,290	12	95,290		11,000	12	95,290
	TUAV shelters/trailers (Transfer from DERF)				[9,500]		[9,500]		[9,500]		
	Hunter upgrades/interoperability (Transfer from DERF)				[1,500]		[1,500]		[1,500]		
59	ARMY COMMON GROUND STATION (CGS)		8,620		8,620		8,620				8,620

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60	DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (TIARA)		14,089		14,089		14,089				14,089
61	DRUG INTERDICTION PROGRAM (DIP) (TIARA)										
62	TACTICAL EXPLOITATION OF NATIONAL CAPABILITIES										
63	TACTICAL EXPLOITATION SYSTEM (TIARA)		17,576		17,576		17,576				17,576
64	DISTRIBUTED COMMON GRND SYSTEM (DCGS) (JMIP)		2,617		11,617		11,617		9,000		11,617
	Distributed Common Ground System (DCGS) (Transfer from DERF)				[9,000]		[9,000]		[9,000]		
65	TROJAN (TIARA)		4,873		4,873		4,873				4,873
66	MOD OF IN-SVC EQUIP (INTEL SPT) (TIARA)		1,655		1,655		1,655				1,655
67	CI HUMINT INFO MANAGEMENT SYSTEM (CHIMS) (TIARA)		9,735		9,735		9,735				9,735
68	ITEMS LESS THAN $5.0M (TIARA)		3,675		8,175		8,175		4,500		8,175
	Items Less than $5 Million (TIARA) (Transfer from DERF)				[2,000]		[2,000]		[2,000]		
	Items Less than $5.0M (TIARA) (Transfer from DERF)				[2,500]		[2,500]		[2,500]		
	Elect Equip-Electronic Warfare (EW)										
69	SHORTSTOP										

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70	COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES		2,310		2,310		2,310				2,310
	Elect Equip-Tactical Surv. (TAC SURV)										
71	FAAD GBS		31		31		31				31
72	SENTINEL MODS		26,519		26,519		26,519				26,519
73	NIGHT VISION DEVICES		60,475		60,475		70,475		6,000		66,475
	AN / PVS-7 & AN / PVS-14						[10,000]		[6,000]		
74	LONG RANGE ADVANCED SCOUT SURVEILLANCE SYSTEM	105	49,927	105	49,927	105	49,927			105	49,927
75	LTWT VIDEO RECON SYSTEM (LWVRS)	476	14,318	476	14,318	476	14,318			476	14,318
76	NIGHT VISION, THERMAL WPN SIGHT	2,970	52,071	2,970	52,071	2,970	52,071			2,970	52,071
77	COMBAT IDENTIFICATION / AIMING LIGHT										
78	ARTILLERY ACCURACY EQUIP		5,402		5,402		5,402				5,402
79	MOD OF IN-SVC EQUIP (MMS)		346		346		346				346
80	MOD OF IN-SVC EQUIP (MVS)		272		272		272				272
81	PROFILER	2	4,875	2	4,875	2	4,875			2	4,875
82	MOD OF IN-SVC EQUIP (TAC SURV)		33,283		33,283		33,283				33,283
83	FORCE XXI BATTLE CMD BRIGADE & BELOW (FBCB2)	1,783	65,294	1,783	65,294	1,783	65,294			1,783	65,294

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84	LIGHTWEIGHT LASER DESIGNATOR / RANGEFINDER (LLDR)	35	8,962	35	8,962	35	8,962			35	8,962
85	COMPUTER BALLISTICS: MORTAR M-30										
86	MORTAR FIRE CONTROL SYSTEM	113	29,794	113	29,794	113	29,794			113	29,794
87	INTEGRATED MET SYS SENSORS (IMETS) - TIARA	27	7,230	27	7,230	27	7,230			27	7,230
	Elect Equip-Tactical C2 Systems										
88	TACTICAL OPERATIONS CENTERS		42,332		42,332		42,332				42,332
89	ADV FA TAC DATA SYS / EFF CTRL SYS (AFATDS/ECS)		74,723		74,723		74,723				74,723
90	MOD OF IN-SVC EQUIP, AFATDS		2,976		2,976		2,976				2,976
91	LIGHT WEIGHT TECHNICAL FIRE DIRECTION SYS (LWTFDS)		12,413		12,413		12,413				12,413
92	CMBT SVC SUPT CONTROL SYS (CSSCS)	139	24,989	139	24,989	139	24,989			139	24,989
93	FAAD C2	2	24,779	2	24,779	2	24,779			2	24,779
94	AIR & MSL DEFENSE PLANNING & CONTROL SYS (AMDPCS)		9,750		9,750		9,750				9,750
95	FORWARD ENTRY DEVICE / LIGHTWEIGHT FED (FED/LFED)		15,125		15,125		15,125				15,125

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96	STRIKER FAMILY	54	28,543	60	33,043	54	28,543		3,500	54	32,043
	Accelerate Strikers for enhanced readiness ARNG brigade				[6 / 4,500]				[3,500]		
97	LIFE CYCLE SOFTWARE SUPPORT (LCSS)		924		924		924				924
98	LOGTECH		7,701		7,701		7,701				7,701
99	TC AIMS II		11,496		11,496		11,496				11,496
100	GUN LAYING AND POS SYS (GLPS)		159		159		159				159
101	ISYSCON EQUIPMENT		31,366		31,366		31,366				31,366
102	JOINT NETWORK MANAGEMENT SYSTEM (JNMS)		6,868		6,868		6,868				6,868
103	TACTICAL INTERNET MANAGER		11,842		11,842		11,842				11,842
104	MANEUVER CONTROL SYSTEM (MCS)		7,584		7,584		7,584				7,584
105	STAMIS TACTICAL COMPUTERS (STACOMP)		61,304		51,304		61,304		-10,000		51,304
	GCSS-A acquisition strategy savings				[-10,000]				[-10,000]		
106	STANDARD INTEGRATED CMD POST SYSTEM		29,535		29,535		29,535				29,535
	Elect Equip-Automation										
107	ARMY TRAINING MODERNIZATION		19,233		19,233		19,233				19,233

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108	AUTOMATED DATA PROCESSING EQUIP		156,546		174,046		156,546		8,000		164,546
	Automatic identification technology (AIT) - radio frequency identification (RFID):										
	Army industrial facilities				[12,300]				[4,500]		
	Prepositioned stocks				[5,200]				[3,500]		
109	RESERVE COMPONENT AUTOMATION SYS (RCAS)		68,273		68,273		68,273				68,273
	Elect Equip-Audio Visual Sys (A/V)										
110	SPECIAL INFORMATION OPERATIONS (SIO) (TIARA)										
111	AFRTS		2,523		2,523		2,523				2,523
112	ITEMS LESS THAN $5.0M (A/V)		5,756		5,756		5,756				5,756
113	ITEMS LESS THAN $5M (SURVEYING EQUIPMENT)		1,002		1,002		1,002				1,002
	Elect Equip-Support										
114	PRODUCTION BASE SUPPORT (C-E)		417		417		417				417
	Other Support Equipment										
	Chemical Defensive Equipment										
115	SMOKE & OBSCURANT FAMILY: SOF (NON AAC ITEM)		25,953		25,953		25,953				25,953

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	Bridging Equipment										
116	TACTICAL BRIDGING		57,604		57,604		57,604				57,604
117	TACTICAL BRIDGE, FLOAT-RIBBON		51,237		51,237		51,237				51,237
	Engineer (Non-construction) Equipment										
118	DISPENSER, MINE M139		1,822		1,822		1,822				1,822
119	GRND STANDOFF MINE DETECTION SYSTEM (GSTAMIDS)		17,425		17,425		17,425				17,425
120	WIDE AREA MUNITIONS (REMOTE CONTROL UNIT)	278	3,223	278	3,223	278	3,223	-278	-3,223		
	Program termination							[-278 / -3,223]			
121	EXPLOSIVE ORDNANCE DISPOSAL EQPMT (EOD EQPMT)		10,965		10,965		10,965				10,965
122	ITEMS LESS THAN $5M, COUNTERMINE EQUIPMENT		686		686		686				686
123	BN COUNTERMINE SIP										
	Combat Service Support Equipment										
124	HEATERS AND ECU'S		14,824		14,824		14,824				14,824
125	LAUNDRIES, SHOWERS AND LATRINES		32,399		32,399		32,399				32,399
126	FLOODLIGHT SET, ELEC, TRL MTD, 3 LIGHTS		498		498		498				498
127	SOLDIER ENHANCEMENT		2,488		2,488		2,488				2,488

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128	LIGHTWEIGHT MAINTENANCE ENCLOSURE (LME)	587	7,730	587	17,730	587	7,730			587	7,730
	LMEs for active Army				[5,000]						
	LMEs for ARNG				[5,000]						
129	FORCE PROVIDER										
130	AUTHORIZED STOCKAGE LIST MOBILITY SYSTEM (ASLMS)		2,838		2,838		2,838				2,838
131	FIELD FEEDING EQUIPMENT		21,177		21,177		21,177				21,177
132	AIRDROP PROGRAM										
133	CAMOUFLAGE: ULCANS										
134	ITEMS LESS THAN $5.0M (ENG SPT EQ)		7,918		7,918		7,918				7,918
135	ITEMS LESS THAN $5.0M (CSS EQ)										
	Petroleum Equipment										
136	FAMILY OF TANK ASSEMBLIES, FABRIC, COLLAPSIBLE										
137	QUALITY SURVEILLANCE EQUIPMENT		7,522		7,522		7,522				7,522
138	DISTRIBUTION SYSTEMS, PETROLEUM & WATER		35,280		35,280		35,280				35,280
139	INLAND PETROLEUM DISTRIBUTION SYSTEM		12,364		12,364		12,364				12,364

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	Water Equipment										
140	WATER PURIFICATION SYSTEMS		18,204		18,204		18,204				18,204
	Medical Equipment										
141	COMBAT SUPPORT MEDICAL		21,003		38,003		31,703		10,500		31,503
	Rapid intravenous infusion pumps				[5,000]		[5,700]		[2,500]		
	Life support for trauma & transport (LSTAT)				[10,000]				[3,000]		
	Telemedicine instrumentation pack (TIP)				[2,000]						
	Deployable medical systems						[5,000]		[5,000]		
	Maintenance Equipment										
142	SHOP EQ CONTACT MAINTENANCE TRK MTD (MYP)	180	12,870	180	12,870	180	12,870			180	12,870
143	WELDING SHOP, TRAILER MTD	119	5,082	119	5,082	119	5,082			119	5,082
144	ITEMS LESS THAN $5.0M (MAINT EQ)		1,075		1,075		1,075				1,075
	Construction Equipment										
145	GRADER, ROAD MTZD, HVY, 6X4 (CCE)		3,854		3,854		3,854				3,854
146	SCRAPERS, EARTHMOVING		7,989		7,989		7,989				7,989
147	DISTR, WATER, SP MIN 2500G SEC/NON-SEC										
148	MISSION MODULES - ENGINEERING		19,236		19,236		19,236				19,236
149	COMPACTOR		299		299		299				299
150	LOADERS		25,365		25,365		25,365				25,365

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151	HYDRAULIC EXCAVATOR		300		300		300				300
152	DEPLOYABLE UNIVERSAL COMBAT EARTH MOVERS		299		299		299				299
153	TRACTOR, FULL TRACKED		14,950		14,950		14,950				14,950
154	CRANES		16,333		16,333		16,333				16,333
155	CRUSHING/SCREENING PLANT, 150 TPH	2	4,495	2	4,495	2	4,495			2	4,495
156	PLANT, ASPHALT MIXING	1	2,006	1	2,006	1	2,006			1	2,006
157	ARMORED COMBAT EARTHMOVER, M9 ACE										
158	HIGH MOBILITY ENGINEER EXCAVATOR (HMEE)	16	5,014	16	5,014	16	5,014			16	5,014
159	CONST EQUIP ESP		9,567		9,567		9,567				9,567
160	ITEMS LESS THAN $5.0M (CONST EQUIP)		12,880		16,880		12,880				12,880
	Water distributors - USAR				[4,000]						
	Rail Float Containerization Equipment										
161	SMALL TUG			2	7,000			1	3,000	1	3,000
162	FLOATING CRANE, 100-250 TON										
163	LOGISTIC SUPPORT VESSEL (LSV)										
164	LOGISTICS SUPPORT VESSEL (ESP)										
165	CAUSEWAY SYSTEMS		29,673		29,673		29,673				29,673
166	ITEMS LESS THAN $5.0M (FLOAT/RAIL)		3,563		3,563		3,563				3,563

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	Generators										
167	GENERATORS AND ASSOCIATED EQUIP		79,180		79,180		79,180				79,180
	Material Handling Equipment										
168	ROUGH TERRAIN CONTAINER HANDLER (RTCH)	96	49,065	96	49,065	96	49,065			96	49,065
169	ALL TERRAIN LIFTING ARMY SYSTEM	148	21,963	148	21,963	148	21,963			148	21,963
170	MHE EXTENDED SERVICE PROGRAM (ESP)	12	2,304	12	2,304	12	2,304			12	2,304
171	ROUGH TERRAIN CONTAINER CRANE										
172	ITEMS LESS THAN $5.0M (MHE)		495		495		495				495
	Training Equipment										
173	COMBAT TRAINING CENTERS (CTC) SUPPORT		54,493		54,493		54,493				54,493
174	TRAINING DEVICES, NONSYSTEM		111,682		111,682		117,082		4,000		115,682
	Engagement skills trainer						[4,000]		[4,000]		
	Range instrumentation @ Fort Knox						[1,400]				
175	CLOSE COMBAT TACTICAL TRAINER		52,472		52,472		52,472				52,472
176	AVIATION COMBINED ARMS TACTICAL TRAINER (AVCATT)		35,915		35,915		35,915				35,915
177	FIRE SUPPORT COMBINED ARMS TACTICAL TRAINER										

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	Test Measure and Dig Equipment (TMD)										
178	CALIBRATION SETS EQUIPMENT		16,366		16,366		16,366				16,366
179	INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)		59,596		59,596		59,596				59,596
180	TEST EQUIPMENT MODERNIZATION (TEMOD)		16,782		16,782		16,782				16,782
181	ARMY DIAGNOSTICS IMPROVEMENT PGM (ADIP)		7,982		7,982		7,982				7,982
	Other Support Equipment										
182	RECONFIGURABLE SIMULATORS										
183	PHYSICAL SECURITY SYSTEMS (OPA3)		227,402		658,802		231,902		344,500		571,902
	Physical Security System (Transfer from DERF)				[4,500]		[4,500]		[4,500]		
	Physical Security System (Transfer from DERF) (Transfer from OMA)				[76,900]						
	Physical Security System (Transfer from DERF) (Transfer from OMA)				[350,000]				[340,000]		
184	BASE LEVEL COM'L EQUIPMENT		12,297		12,297		12,297				12,297
185	MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)		49,181		49,181		49,181				49,181
186	PRODUCTION BASE SUPPORT (OTH)		2,522		2,522		2,522				2,522
187	SPECIAL EQUIPMENT FOR USER TESTING		14,311		14,311		14,311				14,311

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
188	MA8975		4,256		43,356		43,356		39,100		43,356
	MA8975 (Transfer from DERF)				[39,100]		[39,100]		[39,100]		
189	CLOSED ACCOUNT ADJUSTMENTS										
	Spares and Repair Parts										
190	INITIAL SPARES - C&E		59,694		59,694		59,694				59,694
191	INITIAL SPARES - OTHER SUPPORT EQUIPMENT		676		676		676				676
191a	Contract services savings						-13,048		-9,210		-9,210
191b	Financial management savings						-53,200		-53,200		-53,200
	Total - Other Procurement, Army		**5,168,453**		**6,130,147**		**5,513,679**		**689,361**		**5,857,814**

Chemical Agents and Munitions Destruction, Army—Overview

The budget request for fiscal year 2003 included an authorization of $1,490.2 million for Chemical Agents & Munitions Destruction, Army in the Department of Defense.

The House bill would authorize $1,490.2 million for Chemical Agents & Munitions Destruction, Defense.

The Senate amendment would authorize $1,490.2 million for Chemical Agents & Munitions Destruction, Defense.

The conferees recommend an authorization of $1,490.2 million for Chemical Agents & Munitions Destruction, Defense. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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(Dollars in Thousands)

Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
	Chemical Agents & Munitions Destruction, Army										
1	CHEM DEMILITARIZATION - O&M		974,238						-974,238		
2	CHEM DEMILITARIZATION - RDT&E		302,683						-302,683		
3	CHEM DEMILITARIZATION - PROC		213,278						-213,278		
	Total - Chemical Agents & Munitions Destruction, Army		**1,490,199**						**-1,490,199**		

Aircraft Procurement, Navy—Overview

The budget request for fiscal year 2003 included an authorization of $8,204.0 million for Aircraft Procurement, Navy in the Department of Defense.

The House bill would authorize $9,077.6 million.

The Senate amendment would authorize $9,037.2 million.

The conferees recommend an authorization of $8,979.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

MV–22/CV–22 Osprey aircraft advance procurement

The budget request included $60.3 million in advance procurement to support production of 13 MV–22 aircraft in fiscal year 2004 and $10.1 million in advance procurement to support production of two CV–22 aircraft in fiscal year 2004.

The House bill would authorize the budget request.

The Senate amendment would authorize a decrease of $9.2 million in Aircraft Procurement, Navy and a decrease of $10.1 million in Aircraft Procurement, Air Force. These decreases reflect support for buying a total of 11 MV–22 aircraft and no CV–22 aircraft.

Authorization of a maximum of 11 V–22 Osprey aircraft for fiscal year 2004 is consistent with section 123 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107). That provision restricts production of the V–22 (MV–22 and CV–22) to the minimum sustaining production rate until the Secretary of Defense can make certain certifications to Congress.

Given the V–22 schedule for testing, the Department of Defense has agreed that the maximum number of V–22 aircraft that it will be able to buy in fiscal year 2004 is 11. The Department of the Navy and the Department of the Air Force have asked, however, that Congress support buying nine MV–22 and two CV–22 aircraft in fiscal year 2004.

Therefore, the conferees agree to authorize a total of $41.0 million in Aircraft Procurement, Navy for advance procurement for nine MV–22 aircraft, a decrease of $19.3 million. The conferees agree to authorize the budget request for advance procurement supporting CV–22 aircraft.

The conferees do not want support for buying CV–22 aircraft in fiscal year 2004 to be interpreted as any change in their views concerning the requirements in the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107). Therefore, the conferees direct that no CV–22 Osprey aircraft be used for missions other than testing, training, or tactics development until that aircraft is in a configuration that has received the certifications required in the applicable parts of section 123 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107).

T–45 training system

The budget request included $221.8 million to purchase eight T–45C aircraft but included no funds for advance procurement to support T–45C aircraft procurement in fiscal year 2004. The projections in the Future Years Defense Program include no T–45 procurement beyond fiscal year 2003.

The House bill would authorize an increase of $10.0 million for advance procurement to support fiscal year 2004 procurement.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

The conferees understand that the Navy has stated a requirement for 234 T–45 aircraft. The Navy's inventory, however, will total only 181 aircraft after delivery of the eight aircraft to be produced with fiscal year 2003 funds.

The conferees understand that the Navy may be reconsidering the original decision to truncate production with the fiscal year 2003 procurement. Absent a change in the requirement for additional T–45C aircraft to support training requirements of the Department of the Navy, the conferees believe that the Navy should continue to buy T–45 aircraft and its associated training systems.

If the Navy decides to continue production, the conferees encourage the Department of the Navy to investigate options for acquiring additional systems in the manner most advantageous to the Government, to include adopting a multiyear procurement contracting strategy.

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	Aircraft Procurement, Navy										
	Combat Aircraft										
1	AV-8B (V/STOL)HARRIER (MYP)		5,953		5,953		5,953				5,953
2	F/A-18E/F (FIGHTER) HORNET (MYP)	44	3,073,233	44	3,073,233	48	3,313,233	4	225,000	48	3,298,233
	Additional aircraft						[4 / 240,000]		[4 / 240,000]		
	Cost growth -- ancillary eqpt., peculiar training eqpt., ILS								[-15,000]		
3	F/A-18E/F (FIGHTER) HORNET (MYP) (AP-CY)		86,259		86,259		86,259				86,259
4	V-22 (MEDIUM LIFT)	11	1,045,660	11	1,045,660	11	1,045,660			11	1,045,660
5	V-22 (MEDIUM LIFT) (AP-CY)		60,298		60,298		51,098		-19,300		40,998
	Buy advance procurement for 11 aircraft in FY 04						[-9,200]				
	Buy advance procurement for 9 aircraft in FY 04								[-19,300]		
6	AH-1W (HELICOPTER) SEA COBRA										
7	UH-1Y/AH-1Z										
8	MH-60S (MYP)	15	284,155	19	372,155	15	284,155			15	284,155
9	MH-60S (MYP) ADVANCE PROCUREMENT (CY)		88,000		88,000		88,000				88,000
10	MH-60R		86,871		86,871		91,871		5,000		91,871
	Airborne low frequency sonar (ALFS) nonrecurring costs						[5,000]		[5,000]		
11	MH-60R ADVANCE PROCUREMENT (CY)		29,341		29,341		29,341				29,341

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12	E-2C (EARLY WARNING) HAWKEYE (MYP)	5	267,851	5	267,851	5	267,851			5	267,851
13	E-2C (EARLY WARNING) HAWKEYE (MYP) (AP-CY)		27,600		27,600		27,600				27,600
	Airlift Aircraft										
14	MH-60S (MYP)										
15	MH-60S (MYP) ADVANCE PROCUREMENT (CY)										
16	UC-35			1	8,300			1	8,300	1	8,300
	Additional aircraft				[1 / 8,300]				[1 / 8,300]		
17	C-40A										
18	C-37										
	Trainer Aircraft										
19	T-45TS (TRAINER) GOSHAWK	8	221,381	8	221,381	8	221,381			8	221,381
20	T-45TS (TRAINER) GOSHAWK (AP-CY)				10,000						
21	JPATS			10	60,000	6	46,000	6	42,500	6	42,500
	Additional aircraft				[10 / 60,000]		[6 / 39,000]		[6 / 39,000]		
	Operational flight trainers						[7,000]		[3,500]		
	Other Aircraft										
22	KC-130J			4	334,000	4	334,000	4	334,000	4	334,000
	KC-130J (Transfer from DERF)				[4 / 334,000]		[4 / 334,000]		[4 / 334,000]		

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	Modification of Aircraft										
23	EA-6 SERIES		223,527		327,527		337,527		44,000		267,527
	Wing center sections				[40,000]		[40,000]		[9,000]		
	Band 9/10 transmitters				[29,000]		[37,000]		[20,000]		
	USQ-113 communications jammers / receivers				[35,000]		[37,000]		[15,000]		
24	AV-8 SERIES		32,232		93,032		87,232		40,000		72,232
	Engine life management plan				[5,800]						
	Litening AT targeting pods				[55,000]				[40,000]		
	Litening II targeting pods						[55,000]				
25	F-14 SERIES		3,712		3,712		3,712				3,712
26	ADVERSARY		10,475		10,475		10,475				10,475
27	F-18 SERIES		421,704		421,704		446,704		25,000		446,704
	ECP-583 upgrade for USMC F/A-18A aircraft						[25,000]		[25,000]		
28	H-46 SERIES		67,193		67,193		67,193				67,193
29	AH-1W SERIES		10,211		10,211		10,211				10,211
30	H-53 SERIES		22,517		22,517		22,517				22,517
31	SH-60 SERIES		15,419		70,419		15,419				15,419
	Link 16				[55,000]						

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32	H-1 SERIES		1,825		16,825		1,825		7,000		8,825
	AN / AAQ-22 night thermal imaging system (NTIS)				[15,000]				[7,000]		
33	H-3 SERIES										
34	EP-3 SERIES		26,061		48,561		48,561		22,500		48,561
	EP-3E COMINT/ ELINT Upgrades (Transfer from DERF)				[22,500]		[22,500]		[22,500]		
35	P-3 SERIES		102,698		144,698		116,698		37,000		139,698
	Additional anti-surface warfare improvement program (AIP) kit				[27,000]		[14,000]		[26,000]		
	Advanced multiband optical surveillance system (AMOSS)				[9,000]				[5,000]		
	CNS / ATM				[6,000]				[6,000]		
36	S-3 SERIES		45,130		45,130		45,130				45,130
37	E-2 SERIES		17,195		81,195		17,195				17,195
	Hawkeye 2000 upgrades				[64,000]						
38	TRAINER A/C SERIES		2,844		2,844		2,844				2,844
39	C-2A		29,819		29,819		29,819				29,819
40	C-130 SERIES		6,263		6,263		6,263				6,263
41	FEWSG		606		606		606				606
42	CARGO/TRANSPORT A/C SERIES		3,819		3,819		3,819				3,819

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43	E-6 SERIES		57,099		57,099		57,099				57,099
44	EXECUTIVE HELICOPTERS SERIES		10,157		16,157		16,157		6,000		16,157
	VH-3D/VH-60D Comm Upgrade (Transfer from DERF)				[6,000]		[6,000]		[6,000]		
45	SPECIAL PROJECT AIRCRAFT				4,000		4,000		4,000		4,000
	APEX GOLD (Transfer from DERF)				[4,000]		[4,000]		[4,000]		
46	T-45 SERIES		28,246		28,246		28,246				28,246
47	POWER PLANT CHANGES		13,673		13,673		13,673				13,673
48	COMMON ECM EQUIPMENT		28,006		28,006		28,006				28,006
49	COMMON AVIONICS CHANGES		63,228		63,228		63,228				63,228
50	V-22 (TILT/ROTOR ACFT) OSPREY		4,961		4,961		4,961				4,961
	Aircraft Spares and Repair Parts										
51	SPARES AND REPAIR PARTS		1,116,535		1,116,535		1,116,535				1,116,535
	Aircraft Support Equipment and Facilities										
52	COMMON GROUND EQUIPMENT		442,330		442,330		427,330				442,330
	Fleet aircrew simulator training						[-15,000]				
53	AIRCRAFT INDUSTRIAL FACILITIES		18,112		18,112		18,112				18,112
54	WAR CONSUMABLES		12,079		12,079		12,079				12,079
55	INDUSTRIAL FACILITIES		25,309		25,309		25,309				25,309
56	SPECIAL SUPPORT EQUIPMENT		62,725		62,725		62,725				62,725

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57	FIRST DESTINATION TRANSPORTATION		1,643		1,643		1,643				1,643
58	CANCELLED ACCOUNT ADJUSTMENTS										
58a	Contract services savings						-8,046		-5,680		-5,680
	Total - Aircraft Procurement, Navy		**8,203,955**		**9,077,555**		**9,037,209**		**775,320**		**8,979,275**

Weapons Procurement, Navy—Overview

The budget request for fiscal year 2003 included an authorization of $1,832.6 million for Weapons Procurement, Navy in the Department of Defense.

The House bill would authorize $2,514.6 million.

The Senate amendment would authorize $2,505.8 million.

The conferees recommend an authorization of $2,375.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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	Weapons Procurement, Navy										
	Ballistic Missiles										
1	TRIDENT II	12	585,916	12	585,916	12	585,916			12	585,916
2	ADVANCE PROCUREMENT (CY)										
	Support Equipment and Facilities										
3	MISSILE INDUSTRIAL FACILITIES		1,318		1,318		1,318				1,318
	Other Missiles										
	Strategic Missiles										
4	TOMAHAWK	106	145,820	106	765,820	890	743,820	95	517,000	201	662,820
	Tomahawk Remanufacture (Transfer from DERF)				[598,000]		[598,000]		[392,000]		
	Tactical Tomahawk missiles								[95 / 103,000]		
	Tooling equipment to increase production rate to 600 per year				[22,000]				[22,000]		
5	ESSM	146	129,550	146	129,550	146	129,550			146	129,550
	Tactical Missiles										
6	AMRAAM	100	50,937	100	50,937	100	50,937			100	50,937
7	SIDEWINDER	295	53,250	295	53,250	295	53,250			295	53,250
8	JSOW	363	139,537	363	139,537	363	139,537			363	139,537
9	SLAM-ER	120	83,781	120	83,781	120	83,781			120	83,781
10	STANDARD MISSILE	93	156,423	93	156,423	93	156,423			93	156,423

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11	RAM	90	58,379	90	58,379	90	58,379			90	58,379
12	HELLFIRE				40,000		15,000				
	Hellfire II				[40,000]						
	Hellfire - unspecified						[15,000]				
13	AERIAL TARGETS		70,332		70,332		70,332				70,332
14	DRONES AND DECOYS										
15	OTHER MISSILE SUPPORT		12,039		12,039		12,039				12,039
	Modification of Missiles										
16	SIDEWINDER MODS		595		595		595				595
17	HARM MODS		4,959		4,959		4,959				4,959
18	STANDARD MISSILES MODS	90	56,163	90	56,163	90	56,163			90	56,163
	Support Equipment and Facilities										
19	WEAPONS INDUSTRIAL FACILITIES		17,662		17,662		37,662				17,662
	Allegany Ballistics Lab facilities restoration						[20,000]				
20	FLEET SATELLITE COMM (MYP) (SPACE)										
21	FLEET SATELLITE COMM FOLLOW-ON										
	Ordnance Support Equipment										
22	ORDNANCE SUPPORT EQUIPMENT		5,422		5,422		5,422				5,422
22a	USMC Shadow Upgrades (Transfer from DERF)				15,000		15,000				

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	Torpedoes and Related Equipment										
	Torpedoes and Related Equipment										
23	ASW TARGETS		14,330		14,330		14,330				14,330
	Mod of Torpedoes and Related Equipment										
24	MK-46 TORPEDO MODS		38,783		38,783		38,783				38,783
25	MK-48 TORPEDO ADCAP MODS		62,124		62,124		62,124				62,124
26	QUICKSTRIKE MINE		2,025		2,025		2,025				2,025
	Support Equipment										
27	TORPEDO SUPPORT EQUIPMENT		25,132		25,132		25,132				25,132
28	ASW RANGE SUPPORT		14,477		14,477		14,477				14,477
	Destination Transportation										
29	FIRST DESTINATION TRANSPORTATION		2,751		2,751		2,751				2,751
	Other Weapons										
	Guns and Gun Mounts										
30	SMALL ARMS AND WEAPONS		2,856		9,856		9,856		7,000		9,856
	Coast Guard Small Arms Procurement (Transfer from DERF)				[3,000]		[3,000]		[3,000]		
	Physical Security Equipment (Transfer from DERF)				[4,000]		[4,000]		[4,000]		
31	AIRBORNE MINE NEUTRALIZATION SYSTEMS		1,539		1,539		1,539				1,539
	Modification of Guns and Gun Mounts										

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32	CIWS MODS		32,226		32,226		37,226		5,000		37,226
	Additional CIWS Block IB upgrades						[5,000]		[5,000]		
33	GUN MOUNT MODS		8,351		8,351		23,351				8,351
	MK 45 gun rework for cruiser conversion program						[10,000]				
	MK 38 guns to support the Coast Guard						[5,000]				
	Other										
34	CANCELLED ACCOUNT ADJUSTMENTS										
35	CANCELLED ACCOUNT ADJUSTMENTS										
36	CANCELLED ACCOUNT ADJ (89)										
37	JUDGMENT FUND										
37a	Tactical UAV - Pioneer								15,000		15,000
	USMC Shadow Upgrades (Transfer from DERF)								[15,000]		
	Spares and Repair Parts										
38	SPARES AND REPAIR PARTS		55,940		55,940		55,940				55,940
38a	Contract services savings						-1,797		-1,268		-1,268
	Total - Weapons Procurement, Navy		**1,832,617**		**2,514,617**		**2,505,820**		**542,732**		**2,375,349**

Procurement of Ammunition, Navy and Marine Corps—Overview

The budget request for fiscal year 2003 included an authorization of $1,015.2 million for Procurement of Ammunition, Navy and Marine Corps in the Department of Defense.

The House bill would authorize $1,200.1 million.

The Senate amendment would authorize $1,173.2 million.

The conferees recommend an authorization of $1,170.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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	Procurement of Ammunition, Navy & Marine Corps										
	Navy Ammunition										
1	GENERAL PURPOSE BOMBS		243,395		304,695		304,695		61,300		304,695
	Laser Guided Bomb (LGB) kits (Transfer from DERF)				[25,000]		[25,000]		[25,000]		
	Laser Guided Bomb training kits (Transfer from DERF)				[36,300]		[36,300]		[36,300]		
2	JDAM	9,880	225,992	12,280	279,992	12,280	279,992	2,400	54,000	12,280	279,992
	JDAM Kits (Transfer from DERF)			[2,400 / 54,000]		[2,400 / 54,000]		[2,400 / 54,000]			
3	AIRBORNE ROCKETS, ALL TYPES		28,979		52,279		52,279		23,300		52,279
	2.75" Airborne Rockets (Transfer from DERF)				[23,300]		[23,300]		[23,300]		
4	MACHINE GUN AMMUNITION		26,375		30,875		30,875		4,500		30,875
	PGU-27/PGU-28 machine gun ammunition (Transfer from DERF)				[4,500]		[4,500]		[4,500]		
5	PRACTICE BOMBS		65,623		65,623		65,623				65,623
6	CARTRIDGES & CART ACTUATED DEVICES		26,355		26,355		26,355				26,355
7	AIRCRAFT ESCAPE ROCKETS		10,767		10,767		10,767				10,767
8	AIR EXPENDABLE COUNTERMEASURES		38,856		38,856		38,856				38,856
9	JATOS		4,536		4,536		4,536				4,536

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Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
10	5 INCH/54 GUN AMMUNITION		12,252		12,252		12,252				12,252
11	EXTENDED RANGE GUIDED MUNITIONS (ERGM)		4,022		4,022		4,022				4,022
12	76MM GUN AMMUNITION		8,342		8,342		8,342				8,342
13	OTHER SHIP GUN AMMUNITION		10,045		10,045		10,045				10,045
14	SMALL ARMS & LANDING PARTY AMMO		19,004		20,004		20,004		1,000		20,004
	Coast Guard Small Arms Ammunition (Transfer from DERF)				[1,000]		[1,000]		[1,000]		
15	PYROTECHNIC AND DEMOLITION		10,338		10,338		10,338				10,338
16	MINE NEUTRALIZATION DEVICES		2,725		2,725		2,725				2,725
17	AMMUNITION LESS THAN $5 MILLION		1,212		1,212		3,112		1,900		3,112
	MK-58 marine location markers (Transfer from DERF)						[1,900]		[1,900]		
18	CAWCF CLOSURE COSTS										
	Marine Corps Ammunition										
19	5.56 MM, ALL TYPES		31,600		31,600		31,600				31,600
20	7.62 MM, ALL TYPES		7,078		8,378		7,078				7,078
	7.62 linked				[1,300]						
21	LINEAR CHARGES, ALL TYPES		40,623		40,623		40,623				40,623
22	.50 CALIBER		10,514		12,814		10,814		300		10,814

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Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
	.50 cal linked				[2,300]				[300]		
	.50 cal SLAP						[300]				
23	40 MM, ALL TYPES		11,909		11,909		11,909				11,909
24	60MM, ALL TYPES		2,199		2,199		2,199				2,199
25	81MM, ALL TYPES		31,412		31,412		31,412				31,412
26	120MM, ALL TYPES		35,117		45,117		43,817		10,000		45,117
	120mm HEAT-MP-T				[10,000]				[10,000]		
	120mm HEAT						[8,700]				
27	CTG 25MM, ALL TYPES		6,641		6,641		6,641				6,641
28	9 MM ALL TYPES		1,983		1,983		1,983				1,983
29	GRENADES, ALL TYPES		11,357		11,357		11,357				11,357
30	STINGER SLEP		1,577		1,577		1,577				1,577
31	ROCKETS, ALL TYPES		18,854		28,854		18,854				18,854
	84mm AT-4 M136 cartridges				[10,000]						
32	ARTILLERY, ALL TYPES		46,750		55,750		50,750				46,750
	155MM HE M795				[9,000]		[4,000]				
33	DEMOLITION MUNITIONS, ALL TYPES		4,089		4,089		4,089				4,089
34	FUZE, ALL TYPES		620		620		620				620
35	NON LETHALS		5,406		11,706		5,406				5,406

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	Non-lethal ammunition				[6,300]						
36	AMMO MODERNIZATION		6,990		6,990		6,990				6,990
37	ITEMS LESS THAN $5 MILLION		1,616		3,516		1,616				1,616
	MK-58 marine location markers (Transfer from DERF)				[1,900]						
38	CAWCF CLOSURE COSTS										
38a	Contract services savings						-996		-703		-703
	Total - Procurement of Ammunition, Navy & Marine Corps		**1,015,153**		**1,200,053**		**1,173,157**		**155,597**		**1,170,750**

Shipbuilding and Conversion, Navy—Overview

The budget request for fiscal year 2003 included an authorization of $8,191.2 million for Shipbuilding and Conversion, Navy in the Department of Defense.

The House bill would authorize $9,279.5 million.

The Senate amendment would authorize $9,314.2 million.

The conferees recommend an authorization of $9,111.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
	Shipbuilding and Conversion, Navy										
	Other Warships										
1	CARRIER REPLACEMENT PROGRAM										
2	CARRIER REPLACEMENT PROGRAM (AP-CY)		243,703		472,703		472,703		229,000		472,703
	Accelerate CVNX to original schedule				[229,000]		[229,000]		[229,000]		
3	VIRGINIA CLASS SUBMARINE	1	1,512,652	1	1,512,652	1	1,512,652			1	1,512,652
4	VIRGINIA CLASS SUBMARINE (AP-CY)		706,309		706,309		1,121,309				706,309
	Additional advance procurement to increase production rate						[415,000]				
5	SSGN CONVERSION	2	404,305	2	404,305	2	404,305			2	404,305
6	SSGN ADVANCE PROCUREMENT (CY)		421,000		421,000		421,000				421,000
7	CRUISER CONVERSION ADVANCE PROCUREMENT (CY)										
8	CVN REFUELING OVERHAULS				24,000				24,000		24,000
	Fund deferred habitability work for CVN-69 RCOH				[24,000]				[24,000]		
9	CVN REFUELING OVERHAULS (AP-CY)		296,781		296,781		296,781				296,781
10	SUBMARINE REFUELING OVERHAULS	1	271,292	1	271,292	2	471,292		162,500	1	433,792
	Refuel rather than retire an SSN-688						[200,000]		[200,000]		
	Mispricing of FY 02 advance procurement								[-37,500]		
11	SUBMARINE REFUELING OVERHAULS (AP-CY)		88,257		88,257		88,257				88,257

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12	DDG-51	2	2,295,502	2	2,295,502	2	2,295,502			2	2,295,502
13	DDG-51 (AP-CY)		74,000		74,000		199,000				74,000
	Additional advance procurement						[125,000]				
13a	Shipbuilding Initiative				810,000						
	Amphibious Ships										
14	LHD-1 AMPHIBIOUS ASSAULT SHIP		243,000		243,000		243,000				243,000
15	LHD-1 AMPHIBIOUS ASSAULT SHIP (AP-CY)		10,000		10,000				-10,000		
	Transfer to LHA[R] R&D -- RDN 127 (PE 64567N)						[-10,000]		[-10,000]		
16	LPD-17	1	596,492	1	596,492	1	596,492			1	596,492
17	LPD-17 (AP-CY)		8,000		8,000		158,000				8,000
	Additional advance procurement						[150,000]				
	Auxiliaries, Craft and Prior Year Program Costs										
18	TAGOS SURTASS SHIPS										
19	T-AKE-1										
20	LCU(X)		6,756	2	12,756		6,756	1	3,000	1	9,756
	Yard oilers				[2 / 6,000]				[1 / 3,000]		
21	OUTFITTING		300,608		300,608		300,608				300,608

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22	LCAC SLEP	3	67,638	3	78,638	4	89,638	1	22,000	4	89,638
	LCAC buoyancy box				[11,000]						
	SLEP an additional craft						[22,000]		[22,000]		
23	MINE HUNTER			2	8,300			2	7,000	2	7,000
	SWATH minehunter				[2 / 8,300]				[2 / 7,000]		
24	COMPLETION OF PY SHIPBUILDING PROGRAMS		644,899		644,899		644,899		488,000		1,132,899
	VA Class								[213,000]		
	DDG-51 Class										
	Other prior year costs								[125,000]		
	LPD-17 Class										
	Other prior year costs								[150,000]		
24a	Contract services savings						-8,034		-5,671		-5,671
	Total - Shipbuilding and Conversion, Navy		**8,191,194**		**9,279,494**		**9,314,160**		**919,829**		**9,111,023**

Other Procurement, Navy—Overview

The budget request for fiscal year 2003 included an authorization of $4,347.0 million for Other Procurement, Navy in the Department of Defense.

The House bill would authorize $4,527.8 million.

The Senate amendment would authorize $4,514.5 million.

The conferees recommend an authorization of $4,494.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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	Other Procurement, Navy										
	Ships Support Equipment										
	Ship Propulsion Equipment										
1	LM-2500 GAS TURBINE		9,402		9,402		9,402				9,402
2	ALLISON 501K GAS TURBINE		13,710		13,710		13,710				13,710
	Propellers										
3	SUBMARINE PROPELLERS		10,641		10,641		10,641				10,641
	Navigation Equipment										
4	OTHER NAVIGATION EQUIPMENT		25,828		25,828		25,828				25,828
	Underway Replenishment Equipment										
5	UNDERWAY REPLENISHMENT EQUIPMENT		1,460		1,460		1,460				1,460
	Periscopes										
6	SUB PERISCOPES & IMAGING EQUIPMENT		31,401		31,401		31,401				31,401
	Other Shipboard Equipment										
7	FIREFIGHTING EQUIPMENT		21,534		21,534		21,534				21,534
8	COMMAND AND CONTROL SWITCHBOARD		7,377		7,377		7,377				7,377
9	POLLUTION CONTROL EQUIPMENT		67,502		67,502		67,502				67,502
10	SUBMARINE SUPPORT EQUIPMENT		18,195		18,195		18,195				18,195
11	SUBMARINE BATTERIES		13,996		13,996		13,996				13,996

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12	STRATEGIC PLATFORM SUPPORT EQUIPMENT		26,692		26,692		26,692				26,692
13	DSSP EQUIPMENT		21,215		21,215		21,215				21,215
14	LCAC		5,105		5,105		5,105				5,105
15	MINESWEEPING EQUIPMENT		3,865		3,865		3,865				3,865
16	ITEMS LESS THAN $5 MILLION		123,449		123,449		145,449		11,000		134,449
	Stainless steel sanitary spaces						[6,000]				
	Integrated condition assessment system (ICAS)						[11,000]		[8,000]		
	Integrated bridge system						[5,000]		[3,000]		
17	SURFACE IMA										
18	SUBMARINE LIFE SUPPORT SYSTEM		3,675		3,675		3,675				3,675
	Reactor Plant Equipment										
19	REACTOR POWER UNITS		336,500		336,500		336,500				336,500
20	REACTOR COMPONENTS		211,020		211,020		211,020				211,020
	Ocean Engineering										
21	DIVING AND SALVAGE EQUIPMENT		7,726		7,726		7,726				7,726
	Small Boats										
22	STANDARD BOATS		33,832		33,832		33,832				33,832
	Training Equipment										
23	OTHER SHIPS TRAINING EQUIPMENT		1,799		1,799		1,799				1,799

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	Production Facilities and Equipment										
24	OPERATING FORCES IPE		17,134		22,134		17,134		4,000		21,134
	Expeditionary maintenance facility				[5,000]				[4,000]		
	Other Ship Support										
25	NUCLEAR ALTERATIONS		128,543		128,543		128,543				128,543
	Drug Interdiction Support										
26	DRUG INTERDICTION SUPPORT										
	Communications and Electronics Equipment										
	Ship Radars										
27	RADAR SUPPORT										
	Ship Sonars										
28	AN/SQQ-89 SURF ASW COMBAT SYSTEM		24,247		24,247		24,247				24,247
29	SSN ACOUSTICS		251,909		251,909		251,909		-15,000		236,909
	TB-29A program delays								[-15,000]		
30	UNDERSEA WARFARE SUPPORT EQUIPMENT		3,775		3,775		3,775				3,775
31	SURFACE SONAR WINDOWS AND DOME										
32	SONAR SWITCHES AND TRANSDUCERS		16,348		16,348		16,348				16,348
	ASW Electronic Equipment										
33	SUBMARINE ACOUSTIC WARFARE SYSTEM		21,686		21,686		21,686				21,686

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34	FIXED SURVEILLANCE SYSTEM		62,090		62,090		62,090				62,090
35	SURTASS		20,639		20,639		20,639				20,639
36	ASW OPERATIONS CENTER		5,109		5,109		5,109				5,109
	Electronic Warfare Equipment										
37	AN/SLQ-32		1,856		1,856		1,856				1,856
38	AIEWS		15,808						-15,808		
	Program cancellation				[-15,808]		[-15,808]		[-15,808]		
39	INFORMATION WARFARE SYSTEMS		5,158		7,158		7,158		2,000		7,158
	TARBS (Transfer from DERF)				[2,000]				[2,000]		
	Navy Cover and Deception Program (Transfer from DERF)						[2,000]				
	Reconnaissance Equipment										
40	SHIPBOARD IW EXPLOIT		77,066		87,066		87,066		10,000		87,066
	Communications data link (Transfer from DERF)				[10,000]						
	Electronic Warfare (EW) Readiness Support (Transfer from DERF)						[10,000]		[10,000]		
	Submarine Surveillance Equipment										
41	SUBMARINE SUPPORT EQUIPMENT PROGRAM		89,508		89,508		89,508				89,508
	Other Ship Electronic Equipment										
42	NAVY TACTICAL DATA SYSTEM										

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43	COOPERATIVE ENGAGEMENT CAPABILITY		66,736		66,736		66,736				66,736
44	GCCS-M EQUIPMENT		55,188		55,188		55,188				55,188
45	NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)		46,818		46,818		46,818				46,818
46	ATDLS		7,608		7,608		7,608				7,608
47	MINESWEEPING SYSTEM REPLACEMENT		1,974		1,974		1,974				1,974
48	SHALLOW WATER MCM										
49	NAVSTAR GPS RECEIVERS (SPACE)		11,402		11,402		11,402				11,402
50	ARMED FORCES RADIO AND TV		4,186		4,186		4,186				4,186
51	STRATEGIC PLATFORM SUPPORT EQUIP		21,353		21,353		21,353				21,353
	Training Equipment										
52	OTHER SPAWAR TRAINING EQUIPMENT		1,001		1,001		1,001				1,001
53	OTHER TRAINING EQUIPMENT		15,430		21,430		15,430				15,430
	Battle force tactical training - radar trainer for Aegis ships				[6,000]						
	Aviation Electronic Equipment										
54	MATCALS		14,318		14,318		14,318				14,318
55	SHIPBOARD AIR TRAFFIC CONTROL		7,815		7,815		7,815				7,815
56	AUTOMATIC CARRIER LANDING SYSTEM		17,447		17,447		17,447				17,447
57	NATIONAL AIR SPACE SYSTEM		20,000		20,000		20,000				20,000

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58	AIR STATION SUPPORT EQUIPMENT		7,012		7,012		7,012				7,012
59	MICROWAVE LANDING SYSTEM										
60	FACSFAC		4,356		4,356		4,356				4,356
61	ID SYSTEMS		32,633		32,633		32,633				32,633
62	SURFACE IDENTIFICATION SYSTEMS										
63	TAC A/C MISSION PLANNING SYS(TAMPS)		6,597		6,597		6,597				6,597
	Other Shore Electronic Equipment										
64	TADIX-B										
65	NAVAL SPACE SURVEILLANCE SYSTEM		2,062		2,062		2,062				2,062
66	DIMHRS		4,675		4,675		4,675				4,675
67	COMMON IMAGERY GROUND SURFACE SYSTEMS		52,432		52,432		52,432				52,432
68	RADIAC		8,015		8,015		8,015				8,015
69	GPETE		6,700		6,700		6,700				6,700
70	INTEG COMBAT SYSTEM TEST FACILITY		4,498		4,498		4,498				4,498
71	EMI CONTROL INSTRUMENTATION		5,409		5,409		5,409				5,409
72	ITEMS LESS THAN $5 MILLION		9,037		9,037		9,037				9,037
	Shipboard Communications										
73	SHIP COMMUNICATIONS AUTOMATION		161,235		161,235		161,235				161,235
74	COMMUNICATIONS ITEMS UNDER $5M		16,307		16,307		16,307				16,307

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	Submarine Communications										
75	SHORE LF/VLF COMMUNICATIONS		5,427		5,427		5,427				5,427
76	SUBMARINE COMMUNICATION EQUIPMENT		132,874		132,874		132,874		-5,000		127,874
	Installation costs								[-5,000]		
	Satellite Communications										
77	SATELLITE COMMUNICATIONS SYSTEMS		149,636		149,636		149,636				149,636
	Shore Communications										
78	JCS COMMUNICATIONS EQUIPMENT		4,256		4,256		4,256				4,256
79	ELECTRICAL POWER SYSTEMS		1,270		1,270		1,270				1,270
80	NSIPS		12,281		12,281		12,281				12,281
81	JEDMICS						3,000		3,000		3,000
	Ensure engineering & tech data matches deployed systems						[3,000]		[3,000]		
82	NAVAL SHORE COMMUNICATIONS		96,592		96,592		96,592				96,592
	Cryptographic Equipment										

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83	INFO SYSTEMS SECURITY PROGRAM (ISSP)		78,473		89,873		89,873		11,400		89,873
	Secure Wireless Communications Equipment (Transfer from DERF)				[3,000]		[3,000]		[3,000]		
	Computer Network Defense (Transfer from DERF)				[4,600]		[4,600]		[4,600]		
	Enclave boundaries (Transfer from DERF)				[2,000]		[2,000]		[2,000]		
	Intrusion detection system (Transfer from DERF)				[1,800]		[1,800]		[1,800]		
	Cryptologic Equipment										
84	SPECIAL DCP										
85	CRYPTOLOGIC COMMUNICATIONS EQUIPMENT		18,659		20,159		20,159		1,500		20,159
	Cryptologic Direct Support (Transfer from DERF)				[1,500]		[1,500]		[1,500]		
	Other Electronic Support										
86	COAST GUARD EQUIPMENT		39,789		43,789		43,789		4,000		43,789
	Coast Guard Support Night Vision Devices (NVDs) (Transfer from DERF)				[4,000]		[4,000]		[4,000]		
	Drug Interdiction Support										
87	OTHER DRUG INTERDICTION SUPPORT										
	Aviation Support Equipment										
	Sonobuoys										
88	SONOBUOYS - ALL TYPES		63,277		63,277		63,277				63,277

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	Aircraft Support Equipment										
89	WEAPONS RANGE SUPPORT EQUIPMENT		7,733		7,733		7,733				7,733
90	EXPEDITIONARY AIRFIELDS		7,540		7,540		7,540				7,540
91	AIRCRAFT REARMING EQUIPMENT		11,894		11,894		11,894				11,894
92	AIRCRAFT LAUNCH & RECOVERY EQUIPMENT		19,355		19,355		19,355				19,355
93	METEOROLOGICAL EQUIPMENT		27,085		27,085		27,085				27,085
94	OTHER PHOTOGRAPHIC EQUIPMENT		1,572		1,572		1,572				1,572
95	AVIATION LIFE SUPPORT		25,676		25,676		25,676				25,676
96	AIRBORNE MINE COUNTERMEASURES		19,499		19,499		19,499				19,499
97	LAMPS MK III SHIPBOARD EQUIPMENT		5,488		5,488		5,488				5,488
98	OTHER AVIATION SUPPORT EQUIPMENT		12,440		15,440		12,440		2,000		14,440
	Resource allocation management plan (RAMP)				[3,000]				[2,000]		
	Ordnance Support Equipment										
	Ship Gun System Equipment										
99	GUN FIRE CONTROL EQUIPMENT		27,108		46,808		35,108		9,000		36,108
	Additional AN / SPQ-9B radars				[19,700]						
	Additional AN / SPQ-9B radars to accelerate DDG-51 deployment								[9,000]		
	AN / SPQ-9B solid state transmitter						[8,000]				
100	NAVAL FIRES CONTROL SYSTEM		5,690		5,690		5,690				5,690

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Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
	Ship Missile System Equipment										
101	NATO SEASPARROW		41,408		41,408		41,408				41,408
102	RAM GMLS		23,893		23,893		23,893				23,893
103	SHIP SELF DEFENSE SYSTEM		47,226		47,226		47,226				47,226
104	AEGIS SUPPORT EQUIPMENT		155,654		155,654		157,654				155,654
	Food service technology						[2,000]				
105	SURFACE TOMAHAWK SUPPORT EQUIPMENT		53,614		53,614		53,614				53,614
106	SUBMARINE TOMAHAWK SUPPORT EQUIPMENT		5,262		5,262		5,262				5,262
107	VERTICAL LAUNCH SYSTEMS		6,483		6,483		6,483				6,483
	FBM Support Equipment										
108	STRATEGIC PLATFORM SUPPORT EQUIPMENT										
109	STRATEGIC MISSILE SYSTEMS EQUIPMENT		75,006		75,006		75,006				75,006
	ASW Support Equipment										
110	SSN COMBAT CONTROL SYSTEMS		46,319		46,319		56,319		10,000		56,319
	Accelerate older system replacement						[10,000]		[10,000]		
111	SUBMARINE ASW SUPPORT EQUIPMENT		7,538		7,538		7,538				7,538
112	SURFACE ASW SUPPORT EQUIPMENT		3,460		3,460		3,460				3,460
113	ASW RANGE SUPPORT EQUIPMENT		7,350		7,350		7,350				7,350

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Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
	Other Ordnance Support Equipment										
114	EXPLOSIVE ORDNANCE DISPOSAL EQUIPMENT		7,806		7,806		7,806				7,806
115	ITEMS LESS THAN $5 MILLION		3,770		3,770		3,770				3,770
116	ANTI-SHIP MISSILE DECOY SYSTEM		27,976		27,976		38,776		10,800		38,776
	Additional NULKA decoys						[10,800]		[10,800]		
117	SURFACE TRAINING DEVICE MODS		6,557		6,557		6,557				6,557
118	SUBMARINE TRAINING DEVICE MODS		17,264		17,264		22,264		4,000		21,264
	Equipment for deployed training						[5,000]		[4,000]		
	Civil Engineering Support Equipment										
	Civil Engineering Support Equipment										
119	ARMORED SEDANS		481		481		481				481
120	PASSENGER CARRYING VEHICLES		2,538		2,538		2,538				2,538
121	GENERAL PURPOSE TRUCKS		1,972		1,972		1,972				1,972
122	CONSTRUCTION & MAINTENANCE EQUIPMENT		9,113		9,113		9,113				9,113
123	FIRE FIGHTING EQUIPMENT		6,284		6,284		6,284				6,284
124	TACTICAL VEHICLES		42,238		42,238		42,238				42,238
125	AMPHIBIOUS EQUIPMENT		47,193		47,193		47,193				47,193
126	DRUG INTERDICTION (BA 5)										
127	POLLUTION CONTROL EQUIPMENT		20,734		20,734		20,734				20,734

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128	ITEMS UNDER $5 MILLION		14,963		14,963		14,963				14,963
	Supply Support Equipment										
	Supply Support Equipment										
129	MATERIALS HANDLING EQUIPMENT		9,504		9,504		9,504				9,504
130	OTHER SUPPLY SUPPORT EQUIPMENT		10,959		18,959		10,959		6,000		16,959
	Serial number tracking system				[8,000]				[6,000]		
131	FIRST DESTINATION TRANSPORTATION		5,053		5,053		5,053				5,053
132	SPECIAL PURPOSE SUPPLY SYSTEMS		141,431		155,395		155,395		13,964		155,395
	Special Purpose Supply Equip. (Transfer from DERF)				[13,064]		[13,064]		[13,064]		
	Special Purpose Supply Equip. (Transfer from DERF)				[900]		[900]		[900]		
	Personnel and Command Support Equipment										
	Training Devices										
133	TRAINING SUPPORT EQUIPMENT		707		707		707				707
	Command Support Equipment										
134	COMMAND SUPPORT EQUIPMENT		34,770		34,770		34,770				34,770
135	EDUCATION SUPPORT EQUIPMENT		7,095		7,095		7,095				7,095
136	MEDICAL SUPPORT EQUIPMENT		9,145		9,145		9,145				9,145

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137	INTELLIGENCE SUPPORT EQUIPMENT		26,564		36,564		36,564		10,000		36,564
	NCIS (Transfer from DERF)				[4,000]				[4,000]		
	Intelligence Support Equipment (Transfer from DERF)						[4,000]				
	Classified (Transfer from DERF)				[6,000]				[6,000]		
	Tactical Interoperability and Information Support Systems (Transfer from DERF)						[6,000]				
138	OPERATING FORCES SUPPORT EQUIPMENT		16,505		16,505		16,505				16,505
139	MOBILE SENSOR PLATFORM		5,946		5,946		5,946				5,946
140	ENVIRONMENTAL SUPPORT EQUIPMENT		19,978		27,478		19,978				19,978
	Side scanning sonars				[7,500]						
141	PHYSICAL SECURITY EQUIPMENT		81,721		176,204		176,204		94,483		176,204
	Physical Security Eq. for the Mobile Security Force (Transfer from DERF)				[14,000]		[14,000]		[14,000]		
	Physical Security Equipment for Strategic Bases (Transfer from DERF)				[4,000]		[4,000]		[4,000]		
	Coast Guard (Transfer from DERF)				[4,000]						
	Physical Security Equipment (Transfer from DERF)						[76,483]		[76,483]		
	Additional physical security equipment program effort				[72,483]						

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	Productivity Programs										
142	JUDGMENT FUND REIMBURSEMENT										
	Other										
143	CANCELLED ACCOUNT ADJUSTMENTS										
144	CANCELLED ACCOUNT ADJUSTMENT (87)										
145	CANCELLED ACCOUNT ADJUSTMENT (88)										
	Spares and Repair Parts										
146	SPARES AND REPAIR PARTS		172,886		172,886		172,886				172,886
146a	Financial management savings						-20,600		-20,600		-20,600
146b	Contract services savings						-4,263		-3,009		-3,009
	Total - Other Procurement, Navy		**4,347,024**		**4,527,763**		**4,514,500**		**147,730**		**4,494,754**

Procurement, Marine Corps—Overview

The budget request for fiscal year 2003 included an authorization of $1,288.4 million for Procurement, Marine Corps in the Department of Defense.

The House bill would authorize $1,377.2 million.

The Senate amendment would authorize $1,343.1 million.

The conferees recommend an authorization of $1,355.5 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Batteries

The budget request included no funding to replace batteries in the Marine Corps' fleet of prepositioned equipment stored in Norway or aboard the Maritime Prepositioning Force ships.

The House bill and the Senate amendment would support the budget request.

The Marine Corps believes that the use of batteries with newer technology that would replace the current lead-acid batteries could help reduce total ownership costs for vehicles maintained in long-term storage.

The conferees, therefore, agree to an increase of $3.0 million for batteries to be used for long-term storage applications.

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Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
	Procurement, Marine Corps										
	Weapons and Combat Vehicles										
	Tracked Combat Vehicles										
1	AAV7A1 PIP	85	62,991	85	62,991	85	62,991			85	62,991
2	AAAV	1	14,718	1	14,718	1	14,718			1	14,718
3	LAV PIP		53,166		53,166		53,166				53,166
4	IMPROVED RECOVERY VEHICLE (IRV)		4,179		4,179		4,179				4,179
5	MODIFICATION KITS (TRKD VEH)		3,297		3,297		3,297				3,297
	Artillery and Other Weapons										
6	HIMARS	2	7,869	2	7,869	2	7,869			2	7,869
7	155MM LIGHTWEIGHT TOWED HOWITZER	34	62,643	34	62,643	34	62,643			34	62,643
8	MOD KITS (ARTILLERY)		4,890		4,890		4,890				4,890
9	MARINE ENHANCEMENT PROGRAM		8,145		8,145		8,145				8,145
10	WEAPONS AND COMBAT VEHICLES UNDER $5 MILLION		312		312		312				312
	Weapons										
11	MODULAR WEAPON SYSTEM		24,352		24,352		24,352				24,352
	Other Support										
12	OPERATIONS OTHER THAN WAR		1,531		1,531		1,531				1,531

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	Guided Missiles and Equipment										
	Guided Missiles										
13	EADS MOD		184		184		184				184
14	JAVELIN		1,049		1,049		1,049				1,049
15	PEDESTAL MOUNTED STINGER (PMS) (MYP)		1,565		1,565		1,565				1,565
16	ITEMS UNDER $5 MILLION										
17	PREDATOR (SRAW)	445	36,484	445	36,484	445	36,484			445	36,484
	Other Support										
18	MODIFICATION KITS		7,967		7,967		7,967				7,967
	Communications and Electronics Equipment										
	Repair and Test Equipment										
19	AUTO TEST EQUIP SYS		894		894		8,894		8,000		8,894
	Third echelon test sets (TETS)						[8,000]		[8,000]		
20	GENERAL PURPOSE ELECTRONIC TEST EQUIPMENT		8,324		8,324		8,324				8,324

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	Intell/Comm Equipment (Non-tel)										
21	INTELLIGENCE SUPPORT EQUIPMENT		18,526		38,126		38,126		19,600		38,126
	TPC (Transfer from DERF)				[11 / 3,300]		[11 / 3,300]		[11 / 3,300]		
	TEG (Transfer from DERF)				[27 / 9,000]		[27 / 9,000]		[27 / 9,000]		
	TROJAN Lite (Transfer from DERF)				[10 / 5,700]		[10 / 5,700]		[10 / 5,700]		
	TACPHOTO (Transfer from DERF)				[1,000 / 1,600]		[1,000 / 1,600]		[1,000 / 1,600]		
22	MOD KITS (INTEL)		2,570		11,370		11,370		8,800		11,370
	TPCS (Transfer from DERF)				[3 / 8,300]		[3 / 8,300]		[3 / 8,300]		
	TCAC (Transfer from DERF)				[7 / 500]		[7 / 500]		[7 / 500]		
23	ITEMS UNDER $5 MILLION (INTELL)		1,843		1,843		4,243		2,400		4,243
	I-SURSS (Transfer from DERF)						[20 / 2,400]		[20 / 2,400]		
	Repair and Test Equipment (Non-tel)										
24	GENERAL PURPOSE MECHANICAL TMDE		4,565		4,565		4,565				4,565
	Other Comm/Elec Equipment (Non-tel)										
25	NIGHT VISION EQUIPMENT		23,204		36,004		23,204				23,204
	AN / PVS-17 night vision sights				[12,800]						

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	Other Support (Non-tel)										
26	ITEMS UNDER $5 MILLION (COMM & ELEC)		16,097		20,997		18,597		2,500		18,597
	Secure Wireless (Transfer from DERF)				[800]		[800]		[800]		
	ISR (Transfer from DERF)				[1,700]		[1,700]		[1,700]		
	Additional aircraft & ground control systems (Transfer from DERF)				[2,400]						
27	COMMON COMPUTER RESOURCES		38,974		38,974		38,974				38,974
28	COMMAND POST SYSTEMS		33,512		33,512		33,512				33,512
29	RADIO SYSTEMS		25,528		50,528		30,528		7,500		33,028
	Tactical handheld radio systems				[5,000]				[4,500]		
	Lightweight multi-band satellite terminals (LMST)				[20,000]		[5,000]		[3,000]		
30	COMM SWITCHING & CONTROL SYSTEMS		3,974		3,974		3,974				3,974
31	COMM & ELEC INFRASTRUCTURE SUPPORT		16,426		21,026		21,026		4,600		21,026
	Continuity of Intelligence (Transfer from DERF)				[2,000]		[2,000]		[2,000]		
	Computer Network Defense (Transfer from DERF)				[1,900]		[1,900]		[1,900]		
	Deployed Security Interdiction Devices (Transfer from DERF)				[700]		[700]		[700]		
32	MOD KITS MAGTF C41		31,470		34,470		34,470		3,000		34,470
	FLAMES/CESAS (Transfer from DERF)				[3,000]		[3,000]		[3,000]		
33	AIR OPERATIONS C2 SYSTEMS		6,525		6,525		6,525				6,525

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34	INTELLIGENCE C2 SYSTEMS		22,362		22,362		22,362				22,362
35	FIRE SUPPORT SYSTEM		34,855		34,855		34,855				34,855
	Support Vehicles										
	Administrative Vehicles										
36	COMMERCIAL PASSENGER VEHICLES	28	861	28	861	28	861			28	861
37	COMMERCIAL CARGO VEHICLES		13,123		13,123		13,123				13,123
	Tactical Vehicles										
38	5/4T TRUCK HMMWV (MYP)	1,667	118,414	1,667	118,414	1,667	118,414			1,667	118,414
39	MEDIUM TACTICAL VEHICLE REPLACEMENT	1,405	347,578	1,405	347,578	1,405	347,578			1,405	347,578
	Other Support										
40	ITEMS LESS THAN $5 MILLION		3,534		3,534		3,534				3,534
	Engineer and Other Equipment										
	Engineer and Other Equipment										
41	ENVIRONMENTAL CONTROL EQUIP ASSORT		2,709		2,709		2,709				2,709
42	BULK LIQUID EQUIPMENT		10,261		10,261		10,261				10,261
43	TACTICAL FUEL SYSTEMS		2,048		2,048		2,048				2,048
44	DEMOLITION SUPPORT SYSTEMS										
45	POWER EQUIPMENT ASSORTED		8,898		8,898		8,898				8,898

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	Material Handling Equipment										
46	COMMAND SUPPORT EQUIPMENT										
47	AMPHIBIOUS RAID EQUIPMENT		22,295		22,295		22,295				22,295
48	PHYSICAL SECURITY EQUIPMENT		8,804		12,404		12,404		3,600		12,404
	Physical Security Upgrades (Transfer from DERF)				[3,600]		[3,600]		[3,600]		
49	GARRISON MOBILE ENGR EQUIP		2,608		2,608		2,608				2,608
50	MATERIAL HANDLING EQUIP		52,503		52,503		52,503				52,503
51	FIRST DESTINATION TRANSPORTATION		8,221		8,221		8,221				8,221
	General Property										
52	FIELD MEDICAL EQUIPMENT		10,452		10,452		10,452				10,452
53	TRAINING DEVICES		18,651		18,651		20,551		1,900		20,551
	Live fire range improvements						[1,900]		[1,900]		
54	CONTAINER FAMILY		7,120		7,120		7,120				7,120
55	FAMILY OF CONSTRUCTION EQUIPMENT		14,709		21,209		14,709		6,500		21,209
	Construction equipment service life extension program (SLEP)				[6,500]				[6,500]		
56	RAPID DEPLOYABLE KITCHEN		21,505		21,505		21,505				21,505

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	Other Support										
57	MODIFICATION KITS										
58	ITEMS LESS THAN $5 MILLION		5,772		5,772		5,772		3,000		8,772
	USMC batteries								[3,000]		
	Spares and Repair Parts										
59	SPARES AND REPAIR PARTS		23,326		23,326		23,326				23,326
59a	Financial management savings						-3,400		-3,400		-3,400
59b	Contract services savings						-1,264		-892		-892
	Total - Procurement, Marine Corps		**1,288,383**		**1,377,183**		**1,343,119**		**67,108**		**1,355,491**

Aircraft Procurement, Air Force—Overview

The budget request for fiscal year 2003 included an authorization of $12,067.4 million for Aircraft Procurement, Air Force in the Department of Defense.

The House bill would authorize $12,737.3 million.

The Senate amendment would authorize $12,611.7 million.

The conferees recommend an authorization of $12,676.5 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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	Aircraft Procurement, Air Force										
	Combat Aircraft										
	Tactical Forces										
1	F-22 RAPTOR	23	4,090,434	23	4,090,434	23	4,090,434			23	4,090,434
2	F-22 RAPTOR (AP-CY)		530,634		530,634		530,634				530,634
3	F-15A										
4	F-16A (MYP)										
	Airlift Aircraft										
	Tactical Airlift										
5	C-17A (MYP)	12	2,694,140	12	2,694,140	12	2,705,440		11,300	12	2,705,440
	Aircraft engine trainer (AET)						[9,200]		[9,200]		
	Software enhancements for existing trainers						[2,100]		[2,100]		
6	C-17A (MYP) (AP-CY)		391,890		391,890		391,890				391,890
7	C-17 ICS		612,452		612,452		550,852				612,452
	Reduce unjustified growth in flexible sustainment						[-59,700]				
	Additional ICS reduction						[-1,900]				
	Other Airlift										
8	EC-130J					1	110,000	1	87,000	1	87,000
	Purchase 1 additional aircraft						[1 / 110,000]		[87,000]		

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9	C-130H		18,672		23,672		18,672		5,000		23,672
	Convert USAFR C-130H3 trainer to H2 configuration				[5,000]				[5,000]		
10	C-130J		175,923		175,923		175,923				175,923
	Trainer Aircraft										
11	JPATS	35	211,848	35	211,848	35	211,848			35	211,848
	Other Aircraft										
	Helicopters										
12	V-22 OSPREY		90,904		90,904		90,904				90,904
13	V-22 OSPREY (AP-CY)		10,100		10,100						10,100
	CV-22 - FY 04 procurement would exceed minimum sustaining rate						[-10,100]				
	Mission Support Aircraft										
14	C-32B FEST/DEST AIRCRAFT										
15	CIVIL AIR PATROL A/C	27	2,616	27	2,616	27	2,616			27	2,616
16	OPERATIONAL SUPPORT AIRCRAFT										
	Other Aircraft										
17	TARGET DRONES		30,586		30,586		30,586				30,586
18	C-40 ANG										
19	E-8C	1	279,268	1	279,268	1	279,268			1	279,268

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20	E-8C (AP-CY)										
21	HAEUAV	2	63,861	3	128,861	3	128,861	1	65,000	3	128,861
	Global Hawk UAV (Transfer from DERF)				[1 / 65,000]		[1 / 65,000]		[1 / 65,000]		
22	HAEUAV (AP-CY)		41,000		41,000		41,000				41,000
23	PREDATOR UAV	7	23,068	7	131,068	22	113,068	21	108,000	28	131,068
	Predator A (Transfer from DERF)				[15 / 68,000]		[15 / 68,000]		[15 / 68,000]		
	Pred SatCom Equip & Ground Control Station Equip (Transfer from DERF)				[14,000]		[14,000]		[14,000]		
	3rd Squadron Initial Spares (Transfer from DERF)						[8,000]				
	Predator B, including spares				[6 / 26,000]				[6 / 26,000]		
	Modification of Inservice Aircraft										
	Strategic Aircraft										
24	B-2A		72,123		104,123		97,323		32,000		104,123
	SatCom				[25,200]				[25,200]		
	Transfer from PE 64240F (RDAF 69) -- UHF SatCom						[25,200]				
	Low observables maintenance				[6,800]				[6,800]		
25	B-1B		98,026		98,026		98,026				98,026

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26	B-52						20,000		10,000		10,000
	ALQ-172 electronic countermeasures improvement (ECMI)						[20,000]		[10,000]		
27	F-117		21,079		21,079		21,079				21,079
	Tactical Aircraft										
28	A-10		21,775		21,775		21,775				21,775
29	F-15		232,500		291,500		232,500		40,000		272,500
	F100-PW-220E engine upgrades for ANG				[34,000]				[20,000]		
	Additional ALQ-135 Band 1.5 internal countermeasures systems				[25,000]				[20,000]		
30	F-16		265,007		348,007		325,007		33,400		298,407
	F100-PW-229 engines for ANG				[62,000]		[60,000]		[15,000]		
	Upgrade Litening II pods for AFR F-16 Block 25 & 30 aircraft				[14,400]				[14,400]		
	Theater airborne reconnaissance systems (TARS) for ANG				[6,600]				[4,000]		
31	F22 RAPTOR		11,200		11,200		11,200				11,200
32	T/AT-37		81		81		81				81

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	Airlift Aircraft										
33	C-5		86,008		86,008		59,408		-26,600		59,408
	Avionics modernization program - Transfer to RDAF 204 (PE 41119F)						[-26,600]		[-26,600]		
34	C-9		1,346		1,346		1,346				1,346
35	C-17A		128,178		128,178		128,178				128,178
36	C-21		2,562		2,562		2,562				2,562
37	C-32A		26,684		26,684		26,684				26,684
38	C-37A		373		373		373				373
39	C-141		796		796		796				796
	Trainer Aircraft										
40	T-38		168,112		168,112		168,112				168,112
41	T-41 AIRCRAFT		90		90		90				90
42	T-43		2,183		2,183		2,183				2,183
	Other Aircraft										
43	KC-10A (ATCA)		14,176		14,176		14,176				14,176
44	C-12		400		400		12,400				400
	Classified - General Info Tech (Transfer from DERF)						[12,000]				
45	C-18		800		800		800				800
46	C-20 MODS		828		828		828				828

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47	VC-25A MOD		12,171		80,171		80,171		68,000		80,171
	Passenger Data System (Transfer from DERF)				[68,000]		[68,000]		[68,000]		
48	C-130		138,533		181,133		176,533		31,000		169,533
	Terrain awareness & warning system (TAWS)				[31,000]				[8,000]		
	Traffic alert / collision avoidance system (TCAS)						[15,000]				
	MC-130P air refueling modification				[11,600]						
	T56 quick engine change (QEC) kits						[13,000]		[13,000]		
	Composite propeller system test						[10,000]		[10,000]		
49	C-135		108,670		197,670		204,170		89,000		197,670
	KC-135 boom operator weapons system trainer						[6,500]				
	Air Refueling (Transfer from DERF)				[3 / 89,000]		[3 / 89,000]		[3 / 89,000]		
50	DARP		150,123		156,123		143,423		6,000		156,123
	Rivet Joint QRC Sustainment (Transfer from DERF)				[1,000]		[1,000]		[1,000]		
	U-2 Airframe Repairs (Transfer from DERF)				[5,000]		[5,000]		[5,000]		
	Compass Call transfer						[-12,700]				
51	E-3		29,478		29,478		29,478				29,478
52	E-4		39,139		39,139		39,139				39,139
53	E-8		19,307		19,307		19,307				19,307
54	H-1		473		473		473				473

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55	H-60		40,640		70,140		40,640				40,640
	Pave Hawk upgrades				[29,500]						
56	OTHER AIRCRAFT		54,653		59,453		54,653				54,653
	Fixed aircrew standardized seats				[4,800]						
57	PREDATOR MODS		10,532		10,532		10,532				10,532
	Other Modifications										
58	CLASSIFIED PROJECTS		18,546		18,546		31,246				18,546
	Compass Call transfer						[12,700]				
	Aircraft Spares and Repair Parts										
59	SPARES AND REPAIR PARTS		275,982		283,982		275,982		8,000		283,982
	Predator spares (Transfer from DERF)				[8,000]				[8,000]		
	Aircraft Support Equipment and Facilities										
60	COMMON SUPPORT EQUIPMENT		180,943		180,943		180,943				180,943
	Post Production Support										
61	A-10										
62	B-1		1,969		1,969		1,969				1,969
63	B-2A		3,279		3,279		3,279				3,279
64	B-2A		33,484		33,484		33,484				33,484
65	C-130		10,922		10,922		10,922				10,922

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66	E-4										
67	F-15 POST PRODUCTION SUPPORT		7,512		7,512		7,512				7,512
68	F-16 POST PRODUCTION SUPPORT		14,200		14,200		14,200				14,200
	Industrial Preparedness										
69	INDUSTRIAL PREPAREDNESS		22,248		22,248		22,248				22,248
	War Consumables										
70	WAR CONSUMABLES		38,429		38,429		38,429				38,429
	Other Production Charges										
71	MISC PRODUCTION CHARGES		349,516		409,516		381,116		32,000		381,516
	Classified (Transfer from DERF)				[12,000]				[12,000]		
	P4 instrumentation pod refurbishment contract				[30,000]						
	COMET IRCM				[18,000]						
	Upgrade Litening targeting pods - ANG						[20,000]		[20,000]		
	Upgrade theater airborne reconnaissance systems (TARS) pods						[11,600]				
	Common ECM Equipment										
72	COMMON ECM EQUIPMENT		1,182		1,182		1,182				1,182

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	Other Production Charges - SOF										
73	CANCELLED ACCOUNT PY ADJUSTMENTS										
	DARP										
74	DARP		83,751		93,751		93,751		10,000		93,751
	U-2 Defensive System (Transfer from DERF)				[10,000]		[10,000]		[10,000]		
	Total - Aircraft Procurement, Air Force		**12,067,405**		**12,737,305**		**12,611,705**		**609,100**		**12,676,505**

Missile Procurement, Air Force—Overview

The budget request for fiscal year 2003 included an authorization of $3,575.2 million for Missile Procurement, Air Force in the Department of Defense.

The House bill would authorize $3,482.6 million.

The Senate amendment would authorize $3,258.2 million.

The conferees recommend an authorization of $3,504.1 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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	Missile Procurement, Air Force										
	Ballistic Missiles										
1	MISSILE REPLACEMENT EQ-BALLISTIC		48,685		48,685		48,685				48,685
	Other Missiles										
2	ADVANCED CRUISE MISSILE										
	Tactical										
3	JASSM	100	54,240	100	54,240	100	54,240			100	54,240
4	JOINT STANDOFF WEAPON	113	55,740	113	19,540	113	55,740		-36,200	113	19,540
	JSOW-B termination				[-36,200]				[-36,200]		
5	SIDEWINDER (AIM-9X)	286	56,964	286	56,964	286	56,964			286	56,964
6	AGM-130 POWERED GBU-15										
7	AMRAAM	161	89,593	161	89,593	161	89,593			161	89,593
7a	Hellfire			200	10,000	200	10,000	200	10,000	200	10,000
	Missiles for Predator (Transfer from DERF)				[200 / 10,000]		[200 / 10,000]		[200 / 10,000]		
	Industrial Facilities										
8	INDUSTRIAL FACILITIES		2,105		2,105		2,105				2,105
	Missile Replacement Equipment-Other										
9	MISSILE REPLACEMENT EQ-OTHER										

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	Modification of Inservice Missiles										
	Class IV										
10	ADVANCED CRUISE MISSILE		3,376		3,376		3,376				3,376
11	SIDEWINDER (AIM-9X)		580,701		603,901		603,901		23,200		603,901
12	MM III MODIFICATIONS						[5,200]		[5,200]		
	Guidance replacement program (GRP)						[5,200]		[5,200]		
	Propulsion replacement program (PRP)						[12,800]		[12,800]		
	Containers				[23,200]						
	GRP, PRP & containers										
13	AGM-65D MAVERICK		333		5,333		333		4,000		4,333
	H or K model upgrades for USAFR & ANG				[5,000]				[4,000]		
14	AIR LAUNCH CRUISE MISSILE		1,998		1,998		1,998				1,998
15	PEACEKEEPER (M-X)										
16	MODIFICATIONS UNDER $5.0M										
	Missile Spares and Repair Parts										
17	MISSILE SPARES & REPAIR PARTS		48,412		48,412		48,412				48,412
	Other Support										
	Space Programs										

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18	ADVANCED EHF ADVANCE PROCUREMENT (CY)		94,523				23		-94,523		
	Slip in critical design review				[-94,523]		[-94,500]				
	Program delays								[-94,523]		
19	WIDEBAND GAPFILLER SATELLITES	1	189,666	1	189,666	1	189,666			1	189,666
20	WIDEBAND GAPFILLER SATELLITES (AP-CY)										
21	SPACEBORNE EQUIP (COMSEC)		9,368		9,368		9,368				9,368
22	GLOBAL POSITIONING (SPACE)		206,470		206,470		206,470		28,000		234,470
	USAF-requested transfer from PE 35165F (RDAF 189)								[28,000]		
23	GLOBAL POSITIONING (SPACE) (AP-CY)		3,000		3,000		3,000				3,000
24	NUDET DETECTION SYSTEM										
25	DEF METEOROLOGICAL SAT PROG(SPACE)		60,051		60,051		60,051				60,051
26	DEFENSE SUPPORT PROGRAM(SPACE)		114,382		114,382		116,482				114,382
	New display units for mobile DSP ground terminals						[2,100]				
27	DEFENSE SATELLITE COMM SYSTEM		20,669		20,669		20,669				20,669
28	TITAN SPACE BOOSTERS(SPACE)		335,303		335,303		315,303		-20,000		315,303
	Program execution delays						[-20,000]		[-20,000]		

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29	EVOLVED EXPENDABLE LAUNCH VEHICLE	1	158,867	1	158,867	1	173,367		14,500	1	173,367
	Mission assurance for wideband gapfiller satellite (WGS) program						[14,500]		[14,500]		
30	MEDIUM LAUNCH VEHICLE(SPACE)		48,208		48,208		48,208				48,208
	Special Programs										
31	DEFENSE SPACE RECONNAISSANCE PROGRAM		384,000		384,000		384,000				384,000
32	SPECIAL PROGRAMS		879,516		879,516		627,216				879,516
33	SPECIAL UPDATE PROGRAMS		128,992		128,992		128,992				128,992
	Total - Missile Procurement, Air Force		**3,575,162**		**3,482,639**		**3,258,162**		**-71,023**		**3,504,139**

Procurement of Ammunition, Air Force—Overview

The budget request for fiscal year 2003 included an authorization of $1,133.9 million for Procurement of Ammunition, Air Force in the Department of Defense.

The House bill would authorize $1,294.8 million.

The Senate amendment would authorize $1,275.9 million.

The conferees recommend an authorization of $1,290.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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	Procurement of Ammunition, Air Force										
	Procurement of Ammo, Air Force										
	Rockets										
1	ROCKETS		40,909		40,909		40,909				40,909
	Cartridges										
2	CARTRIDGES		154,620		154,620		154,620				154,620
	Bombs										
3	PRACTICE BOMBS		71,935		74,935		71,935		1,000		72,935
	Cast ductile iron practice bombs				[3,000]				[1,000]		
4	GENERAL PURPOSE BOMBS		108,589		136,589		133,589		26,000		134,589
	General Purpose Bombs (Transfer from DERF)				[25,000]		[25,000]		[25,000]		
	Cast ductile iron bombs				[3,000]						
	Cast ductile iron bombs (MK-84)								[1,000]		
5	CAWCF CLOSURE COSTS										
6	SENSOR FUZED WEAPON	298	105,985	298	125,985	298	115,985	12	20,000	310	125,985
	Increase production rate						[10,000]		[12 / 20,000]		
7	JOINT DIRECT ATTACK MUNITION	17,917	378,863	17,917	484,863	23,129	484,863	5,212	106,000	23,129	484,863
	JDAM Tail Kits (Transfer from DERF)				[106,000]		[5,212 / 106,000]		[5,212 / 106,000]		
8	WIND CORRECTED MUNITIONS DISPENSER	4,959	71,165	4,959	71,165	4,959	71,165			4,959	71,165

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	Flare, IR MJU-7B										
9	CAD/PAD		19,816		19,816		19,816				19,816
10	EXPLOSIVE ORDINANCE DISPOSAL		2,727		2,727		2,727				2,727
11	SPARES AND REPAIR PARTS		3,008		3,008		3,008				3,008
12	MODIFICATIONS LESS THAN $5M		202		202		202				202
13	ITEMS LESS THAN $5,000,000		2,013		2,013		2,013				2,013
	Fuzes										
14	FLARES		131,967		135,867		132,967		3,900		135,867
	MJU-52 training flares				[2,000]				[2,000]		
	MJU-52 war reserve munitions (WRM)				[1,900]				[900]		
	MJU-52B IR						[1,000]		[1,000]		
15	FUZES		37,705		37,705		37,705				37,705
	Weapons										
	Small Arms										
16	SMALL ARMS		4,360		4,360		4,360				4,360
	Total - Procurement of Ammunition, Air Force		**1,133,864**		**1,294,764**		**1,275,864**		**156,900**		**1,290,764**

Other Procurement, Air Force—Overview

The budget request for fiscal year 2003 included an authorization of $10,523.9 million for Other Procurement, Air Force in the Department of Defense.

The House bill would authorize $10,918.5 million.

The Senate amendment would authorize $10,478.8 million.

The conferees recommend an authorization of $10,846.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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	Other Procurement, Air Force										
	Vehicular Equipment										
	Passenger Carrying Vehicles										
1	SEDAN, 4 DR 4X2	35	552	35	552	35	552			35	552
2	STATION WAGON, 4X2	28	476	28	476	28	476			28	476
3	BUSES	120	7,982	120	7,982	120	7,982			120	7,982
4	AMBULANCES	10	755	10	755	10	755			10	755
5	LAW ENFORCEMENT VEHICLE	70	1,910	70	1,910	70	1,910			70	1,910
6	ARMORED VEHICLE	2	465	2	465	2	465			2	465
	Cargo and Utility Vehicles										
7	TRUCK, CARGO-UTILITY, 3/4T, 4X4		9,681		9,681		9,681				9,681
8	TRUCK, CARGO-UTILITY, 3/4T, 4X2		5,162		5,162		5,162				5,162
9	TRUCK MAINT/UTILITY/DELIVERY		10,475		10,475		10,475				10,475
10	FAMILY MEDIUM TACTICAL VEHICLES										
11	HIGH MOBILITY VEHICLE (MYP)		11,881		11,881		11,881				11,881
12	CAP VEHICLES		792		792		792				792
13	ITEMS LESS THAN $5,000,000		39,616		39,616		39,616				39,616
	Special Purpose Vehicles										
14	HMMWV, ARMORED		1,019		1,019		1,019				1,019

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15	HMWWV, UP-ARMORED		3,629		3,629		3,629				3,629
16	TRACTOR, A/C TOW, MB-2		2,726		2,726		2,726				2,726
17	TRACTOR, A/C TOW, MB-4		6,143		6,143		6,143				6,143
18	TRACTOR, TOW, FLIGHTLINE		7,928		7,928		7,928				7,928
19	TRUCK HYDRANT FUEL		7,941		7,941		7,941				7,941
20	ITEMS LESS THAN $5,000,000		24,755		24,755		24,755				24,755
	Fire Fighting Equipment										
21	TRUCK CRASH P-19										
22	ITEMS LESS THAN $5,000,000		10,023		10,023		10,023				10,023
	Material Handling Equipment										
23	TRUCK, F/L 10,000 LB		14,572		14,572		14,572				14,572
24	TUNNER LOADER	38	84,329	38	84,329	38	84,329			38	84,329
25	HALVERSEN LOADER	86	49,554	86	49,554	86	49,554			86	49,554
26	ITEMS LESS THAN $5,000,000		10,922		10,922		10,922				10,922
	Base Maintenance Support										
27	TRUCK, DUMP										
28	RUNWAY SNOW REMOV AND CLEANIN		15,466		15,466		15,466				15,466
29	MODIFICATIONS		5,000		5,000		5,000				5,000
30	ITEMS LESS THAN $5,000,000		24,369		24,369		24,369				24,369

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	Canceled Account Adjustments										
31	CANCELLED ACCOUNT ADJUSTMENTS										
	Electronics and Telecommunications										
	Comm Security Equipment (COMSEC)										
32	COMSEC EQUIPMENT		26,331		37,731		33,131		11,400		37,731
	Wireless Communications (Transfer from DERF)				[3,000]		[3,000]		[3,000]		
	Computer network defense (Transfer from DERF)				[4,600]				[4,600]		
	Enclave and Network Tools (Transfer from DERF)				[2,000]		[2,000]		[2,000]		
	Intrusion Detection Systems (Transfer from DERF)				[1,800]		[1,800]		[1,800]		
33	MODIFICATIONS (COMSEC)		460		460		460				460
	Intelligence Programs										
34	INTELLIGENCE TRAINING EQUIPMENT		1,310		1,310		1,310				1,310
35	INTELLIGENCE COMM EQUIPMENT		9,043		17,343		12,343		8,300		17,343
	Tactical Terminal (Transfer from DERF)				[3,300]		[3,300]		[3,300]		
	Eagle Vision				[5,000]				[5,000]		
	Electronics Programs										
36	AIR TRAFFIC CTRL/LAND SYS (ATCALS)		52,038		52,038		52,038				52,038
37	NATIONAL AIRSPACE SYSTEM		55,561		55,561		55,561				55,561
38	THEATER AIR CONTROL SYS IMPROVEMENT		16,713		16,713		16,713				16,713

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39	WEATHER OBSERVE/FORECAST		29,071		29,071		29,071				29,071
40	STRATEGIC COMMAND AND CONTROL		23,889		23,889		23,889				23,889
41	CHEYENNE MOUNTAIN COMPLEX		17,588		17,588		17,588				17,588
42	TAC SIGINT SUPPORT		406		10,406		10,406		10,000		10,406
	Tactical Information Program (Transfer from DERF)				[10,000]		[10,000]		[10,000]		
43	DRUG INTERDICTION PROGRAM										
	Special Comm-Electronics Projects										
44	GENERAL INFORMATION TECHNOLOGY		55,789		261,673		245,773		194,984		250,773
	Integrated Broadcast Service (Transfer from DERF)				[10,800]		[10,800]		[10,800]		
	Classified - General Info Tech (Transfer from DERF)				[176,584]		[176,584]		[176,584]		
	Commercial Imagery - General Info Tech (Transfer from DERF)						[2,600]		[2,600]		
	Parts & repair item support (PARIS)				[9,000]						
	Science & engineering lab data integration (SELDI)				[9,500]				[5,000]		
45	AF GLOBAL COMMAND & CONTROL SYSTEM		28,182		28,182		28,182				28,182
46	MOBILITY COMMAND AND CONTROL		9,735		9,735		9,735				9,735

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47	AIR FORCE PHYSICAL SECURITY SYSTEMS		41,835		88,635		88,635		46,800		88,635
	AT/FP Equipment Enhance/Modernize (Transfer from DERF)				[7,200]		[7,200]		[7,200]		
	Base Physical Security Systems (Transfer from DERF)				[39,600]		[39,600]		[39,600]		
48	COMBAT TRAINING RANGES		17,242		53,242		17,242		11,000		28,242
	Unmanned threat emitter (UMTE) program				[36,000]				[11,000]		
49	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS		1,072		1,072		1,072				1,072
50	C3 COUNTERMEASURES		13,409		27,409		17,409		4,000		17,409
	Information Warfare Support (Transfer from DERF)				[2,000]		[2,000]		[2,000]		
	Computer Network Defense (Transfer from DERF)				[2,000]		[2,000]		[2,000]		
	Secure terminal equipment				[10,000]						
51	BASE LEVEL DATA AUTO PROGRAM		12,793		12,793		12,793				12,793
52	THEATER BATTLE MGT C2 SYSTEM		56,202		56,202		56,202				56,202
	Air Force Communications										
53	BASE INFORMATION INFRASTRUCTURE		214,727		214,727		214,727				214,727
54	USCENTCOM		9,839		9,839		9,839				9,839
55	DEFENSE MESSAGE SYSTEM (DMS)		18,967		18,967		18,967				18,967

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	DISA Programs										
56	NAVSTAR GPS SPACE		13,110		13,110		13,110				13,110
57	NUDET DETECTION SYS (NDS) SPACE		7,937		7,937		7,937				7,937
58	AF SATELLITE CONTROL NETWORK		45,063		45,063		45,063				45,063
59	SPACELIFT RANGE SYSTEM SPACE		108,281		108,281		117,781				108,281
	Recapitalization, including planning & scheduling systems and spares						[9,500]				
60	MILSATCOM SPACE		45,698		45,698		45,698				45,698
61	SPACE MODS SPACE		10,938		10,938		10,938				10,938
	Organization and Base										
62	TACTICAL C-E EQUIPMENT		134,427		134,427		135,427				134,427
	Mobile emergency broadband system (MEBS)						[1,000]				
63	COMBAT SURVIVOR EVADER LOCATE		11,049		11,049		11,049				11,049
64	RADIO EQUIPMENT		8,801		8,801		8,801				8,801
65	TV EQUIPMENT (AFRTV)		2,620		2,620		2,620				2,620
66	CCTV/AUDIOVISUAL EQUIPMENT		3,259		3,259		3,259				3,259
67	BASE COMM INFRASTRUCTURE		202,900		217,900		202,900		15,000		217,900
	GeoBase centralized geographic information system (GIS)				[15,000]				[15,000]		
68	CAP COM & ELECT										

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69	ITEMS LESS THAN $5,000,000		9,278		9,278		9,278				9,278
	Modifications										
70	COMM ELECT MODS		68,894		68,894		68,894				68,894
	Other Base Maintenance and Support Equipment										
	Test Equipment										
71	BASE/ALC CALIBRATION PACKAGE		13,809		13,809		13,809				13,809
72	PRIMARY STANDARDS LABORATORY		1,107		1,107		1,107				1,107
73	ITEMS LESS THAN $5,000,000		8,059		8,059		8,059				8,059
	Personal Safety and Rescue Equipment										
74	NIGHT VISION GOGGLES		3,814		3,814		11,914		8,100		11,914
	Panoramic night vision goggles						[8,100]		[8,100]		
75	ITEMS LESS THAN $5,000,000		9,312		13,312		9,312		4,000		13,312
	Thinpack parachutes				[4,000]				[4,000]		
	Depot Plant and Material Handling Equipment										
76	MECHANIZED MATERIAL HANDLING		25,612		33,612		25,612		8,000		33,612
	Point of maintenance initiative				[8,000]				[8,000]		
77	ITEMS LESS THAN $5,000,000		12,256		12,256		12,256				12,256
	Electrical Equipment										
78	FLOODLIGHTS		11,023		11,023		11,023				11,023

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79	ITEMS LESS THAN $5,000,000		6,201		6,201		6,201				6,201
	Base Support Equipment										
80	BASE PROCURED EQUIPMENT		11,321		25,321		12,821		14,000		25,321
	Combat arms training system (CATS)				[14,000]		[1,500]		[14,000]		
81	MEDICAL/DENTAL EQUIPMENT		13,992		13,992		13,992				13,992
82	ENVIRONMENTAL PROJECTS		817		817		817				817
83	AIR BASE OPERABILITY		5,700		5,700		5,700				5,700
84	PHOTOGRAPHIC EQUIPMENT		5,893		5,893		5,893				5,893
85	PRODUCTIVITY ENHANCING CAPITAL INVESTMENTS		7,806		7,806		7,806				7,806
86	MOBILITY EQUIPMENT		102,990		102,990		102,990				102,990
87	AIR CONDITIONERS		9,593		9,593		9,593				9,593
88	ITEMS LESS THAN $5,000,000		16,131		16,131		16,131				16,131
	Special Support Projects										
89	INTELLIGENCE PRODUCTION ACTIVITIES		47,160		47,160		47,160				47,160
90	TECH SURV COUNTERMEASURES EQUIPMENT		4,057		4,057		4,057				4,057
91	DARP RC135		13,123		13,123		13,123				13,123
92	DARP, MRIGS		115,777		115,777		115,777				115,777
93	SELECTED ACTIVITIES		8,098,917		8,098,917		7,768,327				8,098,917
94	SPECIAL UPDATE PROGRAM		178,876		178,876		178,876				178,876

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95	DEFENSE SPACE RECONNAISSANCE		6,694		25,294		25,294				6,694
	Activities (SPACE) (Transfer from DERF)				[18,600]		[18,600]				
96	INDUSTRIAL PREPAREDNESS										
97	MODIFICATIONS		201		201		201				201
98	FIRST DESTINATION TRANSPORT		9,767		9,767		9,767				9,767
98a	Support Programs				2,600						
	Commercial Imagery - General Info Tech (Transfer from DERF)				[2,600]						
	Spares and Repair Parts										
99	SPARES AND REPAIR PARTS		41,358		41,358		41,358				41,358
99a	Financial management savings						-12,000		-12,000		-12,000
99b	Contract services savings						-2,100		-1,482		-1,482
	Total - Other Procurement, Air Force		**10,523,946**		**10,918,530**		**10,478,840**		**322,102**		**10,846,048**

Procurement, Defense-Wide—Overview

The budget request for fiscal year 2003 included an authorization of $2,688.5 million for Procurement, Defense-Wide in the Department of Defense.

The House bill would authorize $3,235.4 million.

The Senate amendment would authorize $3,054.9 million.

The conferees recommend an authorization of $3,691.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Advanced SEAL Delivery System

The budget request included $21.8 million for the Advanced SEAL Delivery System (ASDS) procurement, $34.7 million for ASDS advance procurement, and $12.2 million in PE 1160404BB for ASDS research, development, test and evaluation (RDT&E).

The House bill would authorize the budget request.

The Senate amendment would authorize $27.3 million for ASDS procurement, no funds for ASDS advance procurement, and no funds in PE 1160404BB for ASDS RDT&E, but it would identify $13.7 million of unused fiscal year 2002 procurement funds to meet fiscal year 2003 RDT&E requirements.

The conferees agree to authorize an increase of $2.0 million for ASDS procurement, no funds for ASDS advance procurement, and an increase of $9.6 million in PE 1160606BB for ASDS RDT&E. Of the $23.8 million authorized for ASDS procurement, the conferees agree that $12.0 million would cover the procurement of lithium ion batteries. The conferees have also included a provision (sec. 214) that would transfer $13.7 million from the amount authorized and appropriated in fiscal year 2002 for ASDS advance procurement to the fiscal year 2003 ASDS RDT&E account.

Subsequent to submission of the budget request and the passage of the House and Senate bills, the U.S. Special Operations Command (SOCOM) approved a restructuring of the ASDS program, and the conferees were informed of changed fiscal year 2003 funding requirements through the submission of a Department of Defense Authorization appeal. The amounts authorized by the conferees support the SOCOM-approved, restructured program.

The conferees believe that the ASDS program continues to require increased attention from the Commander in Chief, Special Operations Command; the Naval Sea Systems Command; and the Office of the Secretary of Defense. Accordingly, the conferees direct that no more than 50 percent of the fiscal year 2003 ASDS procurement funding (excluding the $12.0 million amount for the lithium ion batteries) be obligated until the Secretary of Defense conducts a complete review of the requirements, mission, management, and cost structure of the ASDS program and reports to the congressional defense committees on his findings.

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	Procurement, Defense-Wide										
	Major Equipment										
	Major Equipment, OSD/WHS										
1	MOTOR VEHICLES, WHS										
2	MAJOR EQUIPMENT, OSD		84,964		117,714		113,964		29,000		113,964
	National Fire Training Center (Transfer from DERF)				[9,000]						
	OSD Continuity of Operations (COOP)-Network improvements (Transfer from DERF)						[9,000]		[9,000]		
	Hard & deeply buried targets (Transfer from DERF)				[3,750]						
	Horizontal Fusion Analysis (Transfer from DERF)				[8,000]		[8,000]		[8,000]		
	Coalition-Intelligence Information Sharing (CENTRIX) (Transfer from DERF)				[12,000]		[12,000]		[12,000]		
3	MAJOR EQUIPMENT, WHS		18,452		322,810		322,810		304,358		322,810
	Classified (Transfer from DERF)				[304,358]		[304,358]		[304,358]		
	Major Equipment, NSA										
4	CONSOLIDATED CRYPTOLOGIC PROGRAM	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
	Mobile Secure Communications (Transfer from DERF)				[500]		[500]		[500]		
	Classified program						[3,000]				
5	INFORMATION SYSTEMS SECURITY PROGRAM	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]

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6	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
7	DEFENSE COUNTERDRUG INTELLIGENCE PROGRAM										
	Major Equipment, DISA										
8	INFORMATION SYSTEMS SECURITY		37,544		48,544		48,544		11,000		48,544
	Suite of Enclave Security Tools (Transfer from DERF)				[5,500]		[5,500]		[5,500]		
	Test Suite - Wireless NIPRNET Gateway (Transfer from DERF)				[500]		[500]		[500]		
	Intelligence Community Systems (Transfer from DERF)				[5,000]		[5,000]		[5,000]		
9	CONTINUITY OF OPERATIONS		3,325		10,725		3,325				3,325
	Bandwidth Expansion (Transfer from DERF)				[7,400]						
10	DEFENSE MESSAGE SYSTEM		19,425		19,425		19,425				19,425
11	GLOBAL COMMAND AND CONTROL SYS		3,453		3,453		3,453				3,453
12	GLOBAL COMBAT SUPPORT SYSTEM		2,442		2,442		2,442				2,442
13	STANDARD TACTICAL ENTRY POINT										
14	TELEPORTS		53,542		53,542		53,542				53,542

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15	GLOBAL INFORMATION GRID		517,000		517,000		408,500		-17,000		500,000
	Bandwidth Expansion (Transfer from DERF)						[7,400]		[7,400]		
	Reflect more realistic execution schedule						[-115,900]				
	Bandwidth expansion contract cost savings								[-24,400]		
16	ITEMS LESS THAN $5M		25,474		32,374		32,374		6,900		32,374
	Secure Voice Teleconferencing System and Secure Telephone Equipment (Transfer from DERF)				[1,000]		[1,000]		[1,000]		
	Transportable Systems (Transfer from DERF)				[1,400]		[5,900]		[5,900]		
	NIPRNET systems (Transfer from DERF)				[3,600]						
	Coalition systems (Transfer from DERF)				[900]						
	Major Equipment, DIA										
17	INTELLIGENCE AND COMMUNICATIONS	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
	Critical Database Backup (Transfer from DERF)				[10,000]		[10,000]		[10,000]		
18	INTELLIGENCE PLANNING AND REVIEW ACTIVITIES	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
19	HEADQUARTERS MANAGEMENT DIA	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
	Major Equipment, DLA										
20	MAJOR EQUIPMENT		9,304		9,304		9,304				9,304

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	Major Equipment, DCAA										
21	MAJOR EQUIPMENT/ITEMS LESS THAN $5.0M DCAA		1,500		1,500		1,500				1,500
	Major Equipment, TJS										
22	MAJOR EQUIPMENT, TJS		31,836		56,836		56,836		25,000		56,836
	C4I Equipment and Connectivity (Transfer from DERF)				[15,000]		[15,000]		[15,000]		
	Physical Security Equipment (Transfer from DERF)				[10,000]		[10,000]		[10,000]		
	Ballistic Missile Defense Organization										
23	PATRIOT PAC-3							85	507,320	85	507,320
	Transfer from Army (MPA 1)								[72 / 471,670]		
	Additional missiles								[13 / 35,650]		
24	C4I (BMDO)										
	Major Equipment, DHRA										
25	PERSONNEL ADMINISTRATION		7,404		7,404		7,404				7,404

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	National Imagery and Mapping Agency										
26	MAJOR EQUIPMENT, NIMA	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
	Major Equipment -NIMA Airborne Integration (Transfer from DERF)				[1,000]		[1,000]		[1,000]		
	IEC Workstations - Major Equipment NIMA (Transfer from DERF)				[2,000]		[2,000]		[2,000]		
	Libraries Communications - NIMA (Transfer from DERF)				[2,000]		[2,000]		[2,000]		
	Libraries Storage - Major equipment (NIMA) (Transfer from DERF)				[7,600]		[7,600]		[7,600]		
	Classified program						[-16,000]				
	Defense Threat Reduction Agency										
27	VEHICLES		80		80		80				80
28	OTHER MAJOR EQUIPMENT		36,896		36,896		36,896				36,896
	Defense Security Cooperation Agency										
29	OTHER MAJOR EQUIPMENT										
	Major Equipment, AFIS										
30	MAJOR EQUIPMENT, AFIS		7,762		7,762		7,762				7,762
	Major Equipment, DODDE										
31	AUTOMATION/EDUCATIONAL SUPPORT AND LOGISTICS		2,404		2,404		2,404				2,404

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	Major Equipment, DCMA										
32	MAJOR EQUIPMENT		13,677		13,677		13,677				13,677
	Special Operations Command										
	Aviation Programs										
33	SOF ROTARY WING UPGRADES		289,792		308,992		299,392				289,792
	Avionics enhanced situational awareness				[19,200]		[9,600]				
34	SOF TRAINING SYSTEMS		14,000		14,000		14,000				14,000
35	MC-130H COMBAT TALON II		8,148		8,148		8,148				8,148
36	CV-22 SOF MODIFICATION		58,540		58,540		58,540				58,540
37	AC-130U GUNSHIP ACQUISITION		65,502		125,502	2	125,502		60,000		125,502
	AC-130U Gunship Acquisition (Transfer from DERF)				[60,000]		[2 / 60,000]		[60,000]		
38	C-130 MODIFICATIONS		77,889		77,889		77,889				77,889
39	AIRCRAFT SUPPORT		101		101		2,301		2,200		2,301
	EC-130J Commando Solo spares						[2,200]		[2,200]		

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	Shipbuilding										
40	ADVANCED SEAL DELIVERY SYSTEM		21,804		21,804		27,304		2,000		23,804
	Purchase lithium ion batteries						[12,000]		[12,000]		
	Defer funding for purchasing boat #2						[-5,000]				
	Use excess FY 02 funds for FY 03 requirements						[-1,500]				
	Restructured program								[-10,000]		
41	ADVANCED SEAL DELIVERY SYSTEM (AP-CY)		34,730		34,730				-34,730		
	Defer funding for purchasing boat #2						[-34,730]		[-34,730]		
42	MK VIII MOD 1 - SEAL DELIVERY VEHICLE		8,484		8,484		12,984		3,000		11,484
	SEAL delivery vehicle (SDV)						[4,500]		[3,000]		
43	SUBMARINE CONVERSION										
	Ammunition Programs										
44	SOF ORDNANCE REPLENISHMENT		28,628		28,628		28,628				28,628
45	CONVENTIONAL AMMO WORKING CAPITAL FUND										
46	SOF ORDNANCE ACQUISITION		7,078		7,078		7,078				7,078
	Other Procurement Programs										
47	COMM EQUIPMENT & ELECTRONICS		28,827		28,827		33,827				28,827
	Multiband multimission radios						[5,000]				

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48	SOF INTELLIGENCE SYSTEMS		8,166		14,166		8,166		24,600		32,766
	Portable intelligence collection & relay capability (PICRC)				[6,000]				[6,000]		
	Classified program (Transfer from DERF)								[18,600]		
49	SOF SMALL ARMS & WEAPONS		4,768		19,668		14,768		14,500		19,268
	Advanced lightweight grenade launcher				[4,400]		[3,000]		[4,000]		
	AT-4 confined space (CS) weapons				[10,500]				[6,000]		
	Low profile night vision goggles						[2,000]		[1,500]		
	Modular integrated communications helmets						[5,000]		[3,000]		
50	MARITIME EQUIPMENT MODS		650		650		650				650
51	SOF COMBATANT CRAFT SYSTEMS		6,285		6,285		14,285		8,000		14,285
	SOF riverine craft						[8,000]		[8,000]		
52	SPARES AND REPAIR PARTS		5,327		5,327		5,327				5,327
53	SOF MARITIME EQUIPMENT		3,155		3,155		3,155				3,155
54	DRUG INTERDICTION										
55	MISCELLANEOUS EQUIPMENT		5,745		5,745		5,745				5,745
56	SOF PLANNING AND REHEARSAL SYSTEM		300		300		300				300
57	SOF OPERATIONAL ENHANCEMENTS		93,233		93,233		103,233				93,233
	Advanced night vision system						[4,000]				
	Classified program adjustments						[6,000]				

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
58	PSYOP EQUIPMENT		5,642		5,642		5,642				5,642
	Chemical/Biological Defense										
59	INDIVIDUAL PROTECTION		125,276		125,276		125,776		500		125,776
	M48 masks						[500]		[500]		
60	DECONTAMINATION		15,561		15,561		21,561		6,000		21,561
	M12 decon system upgrades						[6,000]		[6,000]		
61	JOINT BIOLOGICAL DEFENSE PROGRAM		143,233		143,233		143,233		10,000		153,233
	JPDS-BIDS - unspecified								[10,000]		
62	COLLECTIVE PROTECTION		34,749		49,649		41,749		14,900		49,649
	Chem-bio protective shelters				[14,900]		[7,000]		[14,900]		
63	CONTAMINATION AVOIDANCE		116,912		138,312		116,912		7,000		123,912
	Automatic chemical agent alarms				[8,000]				[7,000]		
	Biological integrated detection systems				[13,400]						
999	CLASSIFIED PROGRAMS		599,506		622,606		609,606		23,100		622,606
63a	Financial management savings						-3,500		-3,500		-3,500
63b	Contract services savings						-1,500		-1,059		-1,059
	Total - Procurement, Defense-Wide		**2,688,515**		**3,235,423**		**3,054,943**		**1,003,089**		**3,691,604**

Chemical Agents and Munitions Destruction, Defense—Overview

The budget request for fiscal year 2003 included an authorization of $1,490.2 million for Chemical Agents & Munitions Destruction, Army in the Department of Defense.

The House bill would authorize $1,490.2 million for Chemical Agents & Munitions Destruction, Defense.

The Senate amendment would authorize $1,490.2 million for Chemical Agents & Munitions Destruction, Defense.

The conferees recommend an authorization of $1,490.2 million for Chemical Agents & Munitions Destruction, Defense. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Program	FY 2003 Budget Request Qty	FY 2003 Budget Request Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Agreement Change Qty	Conference Agreement Change Cost	Conference Agreement Authorized Qty	Conference Agreement Authorized Cost
	Chemical Agents & Munitions Destruction, Defense										
1	CHEM DEMILITARIZATION - O&M: Transfer from Army				974,238		974,238		974,238		974,238
2	CHEM DEMILITARIZATION - RDT&E: Transfer from Army				302,683		302,683		302,683		302,683
3	CHEM DEMILITARIZATION - PROC: Transfer from Army				213,278		213,278		213,278		213,278
	Total - Chemical Agents & Munitions Destruction, Defense				**1,490,199**		**1,490,199**		**1,490,199**		**1,490,199**

ITEMS OF SPECIAL INTEREST

Big Safari

The conferees are aware that the Air Force's Big Safari program office has contributed significantly to the Nation's defense through flexible and dynamic management of programs, including the RC–135 Rivet Joint aircraft and the Predator unmanned aerial vehicle.

The conferees, however, are concerned that the management realignments associated with Big Safari that have been implemented over the past 10 years may have resulted in a layering of review processes and extended acquisition cycles. The existence of several intervening headquarters and agencies, in some cases, could inhibit communication between senior Air Force leadership and those responsible for rapidly fielding innovative intelligence, surveillance and reconnaissance (ISR) systems. The conferees believe the Big Safari approach to streamlined acquisition of specialized ISR capabilities is important to the effective execution of the war on terrorism. The conferees, therefore, recommend that the Secretary of the Air Force consider reestablishing Big Safari as a special projects office reporting directly to the Assistant Secretary of the Air Force for Acquisition.

Navy ship acquisition

The conferees remain concerned about both the Department of Defense (DOD) and the Department of the Navy (DON) fiscal year 2003 and previous budget requests for ship acquisition programs. This concern arises from many facts, among which are:

(1) Numerous witnesses, both government and civilian, have testified on the requirement for increased Navy ship acquisition and the annual investment required to recapitalize the Navy's fleet to meet the battle force ship force structure goals outlined in the most recent Quadrennial Defense Review;

(2) Despite congressional documentation over a number of years that the Navy's budget requests are insufficient to recapitalize the required fleet, the Department of Defense continues to submit long-range shipbuilding plans that are inadequate to carry out the missions assigned to the Navy in both the short and long-term; and

(3) The Department of Defense has established a consistent pattern of putting a large number of ships in the latter years of the Future Years Defense Program (FYDP), instead of placing the annual number required in the budget year.

The conferees are also concerned about the manner in which DOD and the DON are interacting with Congress on these important issues. For example, DOD was very late in submitting two acquisition-related attack submarine reports. The late submission of these reports, which required a review of the long-term approach to the stated problem of the low number of attack submarines, made it difficult for Congress to evaluate the annual attack submarine acquisition request. The Department's late or inadequate submission of congressionally mandated reports must be corrected.

Absent more immediate investment, DOD will have to reduce the number or scope of missions assigned to Navy ships. Witnesses

have testified that, if neither course is incorporated in future Navy budget programs, the men and women of the Navy and the Marine Corps will bear the burden of these decisions through some combination of longer deployments and less time at home between deployments. The conferees believe that concrete evidence has been presented to demonstrate that these burdens will result in lower retention, less training, and eventually undermanned ships at sea.

In many instances, the overall Department of Defense ship acquisition message is confused. The conferees believe that DOD has provided only lukewarm support for the acquisition of new ships to modernize the Navy. Despite a sizeable increase in the fiscal year 2003 budget for national defense, the number of ships in the new construction shipbuilding account has declined from the level planned in the last FYDP. The conferees also believe that the DON shares blame for this confusion because it has been inconsistent in its description of force structure requirements. This situation makes it appear as if the Navy has not fully evaluated the long-term implications of its annual budget requests. Because it is difficult for Congress to dramatically adjust the course set in a budget request, the departments must consider the long-term implications of their annual budget requests.

Other, more specific situations inform the conferees' conclusions, as noted below.

(1) DOD and DON witnesses have consistently testified over a number of years that the DON hopes to make reductions in operating and support costs and reallocate those funds for necessary shipbuilding investments. The conferees believe that sufficient evidence has accumulated over a number of years to conclude that the Navy's hopes of harvesting operating and support funds sufficient to recapitalize the fleet are misplaced.

(2) The size of the Navy has been steadily declining, with no apparent solution to halt the decline. Despite this fact, the DON has continued to retire mission-capable ships before the end of their useful service lives. While this action will achieve modest, short-term operating and support cost savings, the conferees believe that this situation reveals that the DON is focusing too narrowly on near-term exigencies. Retiring ships earlier than planned merely adds to the size of the acquisition "bow wave" that may already be reaching insurmountable proportions. Accordingly, the conferees further believe that the nation can ill afford to make a 30-year investment in a ship acquisition and then receive less than 30 years from that investment. If the DON continues making these early retirements, the Navy may only achieve short-term savings at the expense of preserving the capability to maintain the level of forward presence and crisis response that is presumed in the most recent Quadrennial Defense Review.

(3) The Navy has occasionally invoked an argument that a smaller number of more capable ships can do the same job as a greater number of ships with less capability. While the conferees recognize that the Navy buys new ships with increased capability as a response to the evolving threat, the conferees believe that the number of ships required to carry out

the presence mission has not diminished from those stated in the two previous Quadrennial Defense Reviews.

(4) Placing additional ship acquisition requirements on an underfunded ship acquisition program has exacerbated the budget pressure on the ship acquisition account. The number of ships required to execute the national military strategy should be fully funded and should take priority over new ship acquisition programs that have not been fully vetted. The Navy's tendency to create new ship program requests during the congressional budget review period indicates a lack of planning, analysis, and foresight. This practice generates questions about the validity of the entire request and disrupts support for programs budgeted to meet validated requirements.

(5) The conferees note that the DON submitted a report to Congress on the most efficient plan for buying the ships in the long-range shipbuilding plan, but despite its own analysis, the Navy subsequently submitted a budget request that did not include those efficiencies. Consequently, the conferees believe that the Navy's acquisition strategy has resulted in higher unit prices, ultimately resulting in a smaller number of ships procured for the available funding.

(6) DOD has conducted additional reviews, performed multiple analyses, and produced numerous reports on ship acquisition programs. These additional reviews, while arriving at the same conclusions as previous analyses, have been used as means to delay ship requirements validations and acquisition increases to meet those requirements. The conferees believe that these postponements put added pressure on the Navy's new construction shipbuilding account and increase the slope of the acquisition "mountain" facing the Navy.

(7) The conferees perceive that DOD lacks a commitment to buy the number and type of ships required to carry out the full range of Navy missions without redundancy. The DON has proposed to buy more ships than the stated requirement in some classes, while not requesting sufficient new hulls in other classes that fall short of the stated requirement. Additionally, the conferees believe that the cost of ships will not be reduced by continually changing the number of ships in acquisition programs or by frequently changing the configuration and capability of those ships, all frequent attributes of recent DON shipbuilding plans. The conferees intend to scrutinize closely proposals for ships that would only yield marginal improvements in any mission area already inherent in the fleet.

(8) The conferees note that the Navy has testified that personnel and maintenance comprise the largest cost in the total acquisition and life-cycle costs, yet the DON is not taking deliberate steps to buy ships that would require smaller crews and would operate with lower maintenance costs. Some ships are being designed to achieve significant manpower life-cycle savings, but the DON has delayed their acquisition and reduced their numbers. Consequently, the conferees believe that these delays will result in a more expensive future force than need be.

(9) Although some programs, such as the DD(X) destroyer, aim to reach significant manpower reduction goals, the DON is not identifying reasonable goals for other major ship programs in the FYDP. Despite DON testimony that manpower reduction goals are very important, a General Accounting Office (GAO) review of existing and future ship programs informs that most of those programs do not include human systems integration (HSI) in the operational requirements documents. GAO further concluded that research shows HSI has great potential for minimizing the costs of manning, thereby reducing total ownership costs. Accordingly, the conferees believe that the DON must institutionalize the process by which they will reach their goal of an effective Navy in the future at reduced total life-cycle costs.

The conferees strongly recommend that the Navy design ship acquisition programs to take advantage of the best acquisition strategies that have been identified in the Navy's own reports as leading to the greatest cost savings. These include multiyear procurement, block buy of long lead materials and configuration stability for blocks of ships. The conferees further recommend that, once structured, the DON submit fully vetted and supported programs for acquisition and not change course in the middle of the process. Congress fully supports a strong Navy and Marine Corps team as indispensable to the national defense. DOD and the DON bear a significant responsibility for correcting the deficiencies noted above.

Cryptographic equipment modernization

The conferees believe that the National Security Agency is making substantial progress in developing modern cryptographic equipment and materials. The conferees, however, fail to see evidence that the services are programming sufficient resources for cryptographic modernization procurement. The conferees expect the services to make better progress in addressing this problem by providing adequate procurement funding in future budget submissions.

Signals intelligence architecture

The Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (ASD (C3I)) has the responsibility to provide guidance and oversight with respect to policy for all aspects of information exchange networks and to all Department of Defense components. The ASD (C3I) is also responsible for providing guidance for data information and storage systems and their standardization to ensure service interoperability. The conferees recognize that the National Security Agency (NSA) has an important role in supporting this ASD (C3I) responsibility in the area of developing standards for signals intelligence (SIGINT) architecture for the Department of Defense.

The conferees addressed airborne SIGINT architecture issues in the statement of managers (H. Rept. 107–333) accompanying the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107). The conferees encouraged the ASD (C3I) to develop an architectural plan to provide standards-based policy direction to

the services, whose platform program offices can develop systems, and, to the maximum extent possible, share developments. The statement of managers expressed the expectation that the plan should include: (1) a robust spiral development approach; and (2) adequate emphasis on fielding and modernizing the appropriate ground support infrastructure.

The conferees have been unable to detect progress within the Department on such an effort. The ASD(C3I) and the Director of the NSA have not been able to develop and field a cohesive SIGINT architecture with the necessary technical standards. In addition, the conferees can find no evidence that the leadership in either organization has provided sufficient support for establishing an organizational framework for coordinating their own organizational activities or for providing the cross-service oversight of joint intelligence surveillance and reconnaissance (ISR) SIGINT activities, particularly when it comes to information-sharing, routing, and access.

Therefore, the conferees direct the ASD (C3I) to provide a report to the congressional defense and intelligence committees by May 30, 2003, on progress he is making in developing standards for SIGINT architecture for the Department of Defense.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Authorization of Appropriations

Authorization of appropriations (secs. 101–107)

The House bill contained provisions (secs. 101–107) that would authorize the recommended fiscal year 2003 funding levels for procurement for the Army, Navy, Marine Corps, Air Force, Defense-Wide activities, Defense Inspector General, Chemical Demilitarization Program, and Defense Health Program.

The Senate amendment contained similar provisions (secs. 101–107).

The conference agreement includes these provisions.

Chemical Agents and Munitions Destruction, Defense (sec. 106)

The House bill contained a provision (sec. 106) that would authorize $1.5 billion, the amount included in the budget request, for the destruction of chemical agents, munitions, and materiel.

The Senate amendment contained a similar provision (sec. 106) that would authorize the requested amount for chemical demilitarization in a Defense Department account, in accordance with section 1521(f) of title 50, United States Code.

The House recedes.

The conferees are disappointed that the Department of Defense requested funds for chemical demilitarization for fiscal year 2003 in an Army budget account, contrary to the requirements of law. Section 1521(f) of title 50, United States Code requires that funds for this program shall not be included in the budget accounts for any military department. The conferees expect the Department to comply with the law in future budget requests and therefore have approved a separate provision, described elsewhere in this report, concerning the budget submission.

Subtitle B—Army Programs

Pilot program on sales of manufactured articles and services of certain Army industrial facilities without regard to availability from domestic sources (sec. 111)

The Senate amendment contained a provision (sec. 111) that would extend the authorization for Army industrial facilities to sell articles and services to commercial contractors providing weapon systems to the Department of Defense through fiscal year 2004.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Report on impact of Army aviation modernization plan on the Army National Guard (sec. 112)

The House bill contained a provision (sec. 145) that would require the Chief of the National Guard Bureau to submit to the congressional defense committees a report on the requirements for Army National Guard aviation, including an analysis of the impact of the Army Aviation Modernization Plan on the Army National Guard.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Chief of the National Guard Bureau to submit the report through the Army Chief of Staff for any comments and recommendations he considers appropriate before he forwards the report to the Committees on Armed Services of the Senate and House of Representatives. The conferees expect the report to include an analysis of the impact of the Army Aviation Modernization Plan on Army National Guard homeland security search and rescue, MEDEVAC, and state emergency missions.

Family of Medium Tactical Vehicles (sec. 113)

The conferees agree to include a provision that would provide the Army multiyear procurement (MYP) authority for the procurement of the Family of Medium Tactical Vehicles (FMTV).

The budget request included $681.4 million to procure the FMTV to replace the Army's aging fleet of medium tactical vehicles. The FMTV is a complete series of trucks and trailers based on a common chassis, varied by payload and mission. In the fiscal year 2003 budget request, the Army intends to buy 2,572 FMTV A1 models through the option clause of the current sole-source multiyear contract and 1,002 FMTV A1 competitive rebuy (CR) models through the first year of a "competitive rebuy" multiyear contract scheduled for award in March 2003.

The Army failed to request multiyear procurement authority for the FMTV A1 CR until after both houses of Congress had acted on their respective National Defense Authorization Bills for Fiscal Year 2003.

The conferees note that the Army has had technical problems with previous versions of the FMTV. Therefore, the conferees agree that the Secretary of the Army may not enter into a multiyear contract until the Secretary certifies to the congressional defense committees that the FMTV A1 CR models meet all key performance parameters required in the initial operational test and evaluation.

The conferees also note that the Army estimates a $222.0 million cost savings (6.5 percent of the contract value) using a five-year multiyear procurement contract for the FMTV A1 CR over that of annual buys, for the same period of time. The conferees believe that the Army can achieve at least a 10 percent cost savings when both multiyear procurement authority and competition are factored into cost estimates. Therefore, the conferees agree that the Secretary of the Army may not enter into a MYP contract until he certifies that the total cost of the procurement of the FMTV A1 CR under the program over five fiscal years using MYP contracting authority is estimated to be at least 10 percent less than the estimated total cost of the procurement of FMTV A1 CR over the same five-year period through the use of successive one-year contracts. The Secretary of Defense may waive this limitation if he determines that the procurement of vehicles using a MYP contract is in the national security interests of the United States; certifies that the Army cannot achieve a 10 percent cost savings; and submits to the congressional defense committees, in writing, a notification of the waiver together with a report outlining the reasons why the use of a MYP contract is in the national security interests of the United States and reasons why the Army cannot achieve a 10 per cent savings of the total anticipated costs of carrying out the program through a MYP contract.

Subtitle C—Navy Programs

Extension of multiyear procurement authority for DDG–51 class destroyers (sec. 121)

The Senate amendment contained a provision (sec. 122) that would authorize an extension, through fiscal year 2007, of the multiyear procurement authority for Arleigh Burke-class (DDG–51) destroyers.

The House bill contained no similar provision.

The House recedes.

Sense of Congress on scope of conversion program for Ticonderoga-class cruisers (sec. 122)

The Senate amendment contained a provision (sec. 123) that would state that the Secretary of the Navy should maintain the scope of the cruiser conversion program to cover all 27 Ticonderoga-class cruisers with an appropriate mix of modernization upgrades.

The House bill contained no similar provision.

The House recedes with an amendment making the scope of cruiser conversion a sense of Congress.

Continuation of contract for operation of Champion-class T–5 fuel tanker vessels (sec. 123)

The House bill contained a provision (sec. 112) that would prohibit the Navy's requested acquisition of Champion-class T–5 fuel tanker ships.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would permit the Navy to acquire the vessels. The amended provision would require that the Navy maintain the current operating contract for each ves-

sel until the end of the current contract, or until the Navy or Military Sealift Command is no longer using the vessel, whichever is earlier.

Subtitle D—Air Force Programs

Multiyear procurement authority for C–130J aircraft program (sec. 131)

The House bill contained a provision (sec. 121) that would authorize the Secretary of the Air Force to enter into a multiyear contract 30 days after the Secretary of Defense has submitted a certification that the C–130J program is making satisfactory progress toward a successful operational test and evaluation.

The Senate amendment contained a similar provision (sec. 131) that would authorize the Secretary of the Air Force to enter into a multiyear contract that could extend for six program years, subject to the program's having been cleared for worldwide over-water capability.

The conferees agree to a provision that would authorize the Secretary of the Air Force to enter into a multiyear contract that could extend for six program years, subject to the program's having completed qualification for air assault operations and installation of certain software upgrades.

Pathfinder programs (sec. 132)

The Senate amendment contained a provision (sec. 132) that would require: (a) the Secretary of the Air Force to submit to Congress a list of Air Force programs designated as acquisition reform pathfinder programs by February 1, 2003; (b) approval or disapproval of the spiral development plans associated with these pathfinder programs by the Secretary of Defense; and (c) assessments by the Under Secretary of Defense (Comptroller), the Under Secretary of Defense for Acquisition, Technology, and Logistics, the Director of Operational Test and Evaluation, and the Joint Requirements Oversight Council of those pathfinder programs that were not chosen to be spiral development programs. Spiral development programs are covered by another Senate provision (sec. 803).

The House bill contained no similar provision.

The conferees agree that Congress needs a further understanding of the Department of Defense plans for pathfinder programs, as well as information on lessons learned from pathfinder programs that could be applied to other programs. The conferees also agree that appropriate oversight should be maintained over such programs.

Therefore, the House recedes with an amendment that would require the Secretary of the Air Force to submit a list of Air Force programs designated as pathfinder programs by February 1, 2003, and would require the Secretary of Defense to ensure that the Undersecretary of Defense for Acquisition, Technology, and Logistics, the Director of Operational Test and Evaluation, and the Joint Requirements Oversight Council maintain oversight of each pathfinder program. The amendment would also require the Secretary of the Air Force to submit to Congress by March 15, 2003, a report on pathfinder programs describing how oversight by these organi-

zations will be accomplished, as well as the management, acquisition, and test and evaluation plans for each pathfinder program. The report would also contain a description of any innovative business practices that could be applied to other programs. The amendment would not exempt Air Force pathfinder programs from the requirements for spiral development programs specified in section 803.

Leases for tanker aircraft under multiyear aircraft-lease pilot program (sec. 133)

The Senate amendment contained a provision (sec. 134) which would require that the Secretary of the Air Force not enter into any lease for tanker aircraft until: (1) he has submitted the report required by Section 8159 of the Department of Defense Appropriations Act for Fiscal Year 2002 (Public Law 107–117); and (2) he has obtained authorization and appropriation of funds necessary to enter a lease for such aircraft, in accordance with his publicly stated commitments to Congress.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify that the Secretary may not enter into such a lease until the Secretary either: (1) obtains authorization and appropriation of needed funds; or (2) submits a new start reprogramming notification to the congressional defense committees. The Secretary of the Air Force informed the Committee on Armed Services of the Senate February 12, 2002, that he would not take any action on tanker leasing proposals without first coming to both the authorization and the appropriations committees to have money authorized and appropriated or reprogrammed for these purposes. The conferees expect that the Secretary will live up to this commitment, regardless of whether the request for funds is submitted through the normal budget deliberation process or through established procedures observed in the reprogramming process.

Subtitle E—Other Programs

Destruction of existing stockpile of lethal chemical agents and munitions (sec. 141)

The House bill contained a provision (sec. 143) that would require that the chemical demilitarization program be managed as a major defense acquisition program. It would also require that the Under Secretary of Defense (Comptroller) provide an annual certification that the budget request for the chemical agents and munitions destruction program has been submitted in compliance with applicable Federal laws.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment that would specify that the Comptroller certify that the budget request has been submitted in accordance with section 1412 of the Department of Defense Authorization Act for 1986 (Public Law 99–145).

Section 1521(f) of title 50, United States Code requires that funds for the chemical demilitarization program, including those for military construction, "shall be set forth in the budget of the Department of Defense for any fiscal year as a separate account.

Such funds shall not be included in the budget accounts for any military department." The Department of Defense submitted the fiscal year 2003 budget request for chemical demilitarization in an Army account, contrary to the law. The conferees expect the Department to comply with the law in future budget requests by submitting the budget request for chemical agents and munitions destruction in a Department of Defense account. This certification provision is intended to help ensure such compliance.

Report on unmanned aerial vehicle systems (sec. 142)

The House bill contained a provision (sec. 144) that would require the Secretary of Defense to submit a report to Congress on unmanned aerial vehicle (UAV) systems.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the report to describe the process by which the Department will ensure that any UAV program proceeding past the science and technology stage does so only as part of an integrated, overall Office of the Secretary of Defense strategy for UAV acquisition.

The conferees support the Department's plans to procure and field a substantial number of UAVs starting in fiscal year 2003. However, the conferees also want to ensure that UAV systems are appropriately integrated into an overall departmental strategy that will minimize redundancy and maximize commonality.

Global Information Grid system (sec. 143)

The House bill contained a provision (sec. 1527) that would prohibit the obligation of funds for the Global Information Grid (GIG) system until the Secretary of Defense certifies to the congressional defense committees that the system is secure and protected from unauthorized access.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that prohibits the obligation of funds for the GIG until the Secretary of Defense submits a plan to ensure that, as part of bandwidth expansion efforts, the information transmitted within the system is secure and protected.

LEGISLATIVE PROVISIONS NOT ADOPTED

Compass Call program

The Senate amendment contained a provision (sec. 135) that would shift $12.7 million in Compass Call aircraft modifications from the Defense Airborne Reconnaissance Program line to the Classified Projects line.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Integrated bridge system

The Senate amendment contained a provision (sec. 121) that would authorize $5.0 million for the integrated bridge system.

The House bill contained no similar provision.

The Senate recedes on the provision. By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Marine Corps live fire range improvements

The Senate amendment contained a provision (sec. 124) that would authorize $1.9 million for various improvements in live fire training ranges of the Marine Corps.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Mobile emergency broadband system

The Senate amendment contained a provision (sec. 137) that would authorize $1.0 million to buy technical communications-electronics equipment for the emergency mobile broadband system.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Reallocation of certain funds for Air Force Reserve Command F–16 aircraft procurement

The House bill contained a provision (sec. 122) that would authorize $14.4 million for the 36 Litening II modernization upgrade kits for the F–16 block 25 and block 30 aircraft (rather than for Litening AT pods for such aircraft).

The Senate amendment contained no similar provision.

The House recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Shipbuilding initiative

The House bill contained a provision (sec. 111) that would authorize an additional $810.0 million for shipbuilding programs.

The section would provide that if the *Virginia*-class prime contractor were to reach an agreement with the Government as of the date of enactment of this bill to spend at least $385.0 million for the Virginia-class submarine program from its own funds, then the provision would authorize: (1) an additional $810.0 million for an additional *Arleigh Burke*-class (DDG–51) destroyer; and (2) multiyear procurement for *Virginia*-class submarines, commencing in fiscal year 2003.

If such an agreement were not reached, the provision would authorize the following:

(1) $415.0 million for Virginia-class submarine advance procurement;

(2) $210.0 million for cruiser conversion advance procurement; and

(3) $185.0 million for a nuclear attack submarine refueling overhaul.

The Senate amendment contained no similar provision.

The House recedes.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Research, Development, Test, and Evaluation overview

The budget request for fiscal year 2003 included an authorization of $53,924.2 million for Research and Development for the Department of Defense.

The House bill would authorize $56,816.6 million.

The Senate amendment would authorize $55,751.4 million.

The conferees recommend an authorization of $56,777.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Department of Defense science and technology funding

The budget request contained $10,009.2 million for defense science and technology, including all defense-wide and military service funding for basic research, applied research, and advanced technology development. To address the conferees' concerns with respect to critical shortcomings in the budget request, the conferees recommend an authorization of $10,384.7 million, an increase of $375.5 million for the defense science and technology (S&T) program.

The conferees note that the budget request represents an increase of $1231.4 million, or 14.0 percent above the amount requested for the fiscal year 2002 budget, and 2.7 percent of the budget request. The conferees also note that the amount in the budget request for science and technology is an increase of $132.0 million from the amount provided by Congress for fiscal year 2002. However, the Army and Navy science and technology accounts each decreased more than 21 percent (nearly $400 million each).

The conferees view defense science and technology investments as critical to maintaining U.S. military technological superiority in the face of growing and changing threats to national security interests around the world, and believe that both the defense agencies and the military departments have vital roles in the Department's science and technology investment strategy. Although pleased with the overall progress in the defense science and technology program, the conferees continue to be disturbed by the continuing trend of overall reduction in the military departments' science and technology programs and the effect of that trend on the critical role that the military departments play in the transition of science and technology into acquisition programs.

The conferees note the finding of the Defense Science Board Letter Report on the Department of Defense Science and Technology Program (August 2000) which noted that a significant change in defense science and technology over the past 10 years has been the erosion of military department's science and technology budgets. The report notes, and the conferees are aware, that a major reason the military departments' science and technology budgets have declined is because the services have had to empha-

size funding for current operations. The shift in funding away from science and technology raises issues of whether the services are investing sufficiently to properly address their long-term technology needs.

The Department's science and technology program has long played a crucial role in the development of technology and in the education and training of the scientific and engineering personnel required to support the continuing technical advances critical to maintain superior military capabilities. The ability of today's U.S. military forces to deploy anywhere in the world, sustain forward presence, and win decisively on the battlefield results from past investments in research and technology. For more than 50 years, these investments have enabled the Department of Defense to advance the frontiers of knowledge and develop the technologies necessary to gain and maintain operational and technical superiority.

The conferees commend the Department of Defense commitment to a goal of three percent of the budget request for the defense science and technology program and progress toward this goal. The conferees also note the finding in the Defense Science Board report that successful high technology industries invest about 3.5 percent of sales in research (equivalent to the DOD S&T program) and the recommendation that S&T funding should be increased to ensure the continued long-term technical superiority of U.S. military forces in the 21st Century. The conferees believe that the Department must continue to provide the necessary investments in research and technologies that ensure a strong, stable, and robust science and technology program for our Armed Forces.

NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003
(In Thousands of Dollars)

	Authorization Request	House Authorization	Senate Authorization	Conference Change	Conference Authorization
Title II -- RESEARCH, DEVELOPMENT, TEST & EVALUATION					
Research, Development, Test & Evaluation, Army	6,918,494	6,933,319	7,301,433	239,762	7,158,256
Research, Development, Test & Evaluation, Navy	12,501,630	13,274,540	12,913,135	742,534	13,244,164
Research, Development, Test & Evaluation, Air Force	17,601,233	18,803,184	18,611,184	735,845	18,337,078
Research, Development, Test & Evaluation, Defense-wide	16,613,551	17,516,337	16,496,873	1,045,548	17,659,099
Operational Test & Evaluation	222,054	222,054	361,554	89,500	311,554
Defense Health Program	67,214	67,214	67,214	0	67,214
TOTAL RDT&E	**53,924,176**	**56,816,648**	**55,751,393**	**2,853,189**	**56,777,365**

ARMY

Research, Development, Test and Evaluation, Army—Overview

The budget request for fiscal year 2003 included an authorization of $6,918.5 million for Research, Development, Test and Evaluation, Army in the Department of Defense.

The House bill would authorize $6,933.3 million.

The Senate amendment would authorize $7,301.4 million.

The conferees recommend an authorization of $7,158.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, ARMY					
0601101A	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	22,998	22,998	22,998		22,998
0601102A	2	DEFENSE RESEARCH SCIENCES	139,633	139,633	147,633	7,000	146,633
		Optical research			[3,000]	[2,000]	
		Animal modeling genetics research			[1,000]	[1,000]	
		Desert terrain analysis			[4,000]	[4,000]	
0601104A	3	UNIVERSITY AND INDUSTRY RESEARCH CENTERS	74,855	74,855	78,855	4,000	78,855
		Armor materials modeling & simulation			[2,500]	[2,500]	
		Ferroelectric materials nanofabrication			[1,500]	[1,500]	
0602105A	4	MATERIALS TECHNOLOGY	18,659	18,659	31,159	12,500	31,159
		Advanced materials processing			[4,000]	[4,000]	
		Electronic components reliability			[2,500]	[2,500]	
		Composite materials technology for FCS			[3,000]	[3,000]	
		Multifunctional composite materials			[3,000]	[3,000]	
0602120A	5	SENSORS AND ELECTRONIC SURVIVABILITY	24,305	24,305	24,305		24,305
0602122A	6	TRACTOR HIP	6,839	6,839	6,839		6,839
0602211A	7	AVIATION TECHNOLOGY	43,692	43,692	43,692		43,692
0602270A	8	EW TECHNOLOGY	19,584	19,584	19,584		19,584

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0602303A	9	MISSILE TECHNOLOGY	31,884	48,284	36,884	20,000	51,884
		Micro electro-mechanical systems (MEMS) inertial measurement unit / Global Positioning System		[10,000]		[15,000]	
		Digital glue technology		[3,400]			
		Enhanced area air defense sys (EAADS) short-range air defense integrated kinetic energy (E-STRIKE) system		[3,000]		[3,000]	
		Short range air defense radar			[3,000]		
		Advanced composite chassis			[2,000]	[2,000]	
0602307A	10	ADVANCED WEAPONS TECHNOLOGY	11,208	11,208	11,208		11,208
0602308A	11	ADVANCED CONCEPTS AND SIMULATION	20,634	20,634	23,134	2,500	23,134
		Interactive training technology transition			[2,500]	[2,500]	
0602601A	12	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	55,763	55,763	86,063	25,300	81,063
		Advanced coatings research			[1,500]	[1,500]	
		Fastening & joining research			[1,800]	[1,800]	
		21st Century Truck			[17,000]	[17,000]	
		Combat truck initiative (COMBATT) hybrid vehicle			[5,000]	[5,000]	
		Advanced manufacturing technology			[5,000]		
0602618A	13	BALLISTICS TECHNOLOGY	74,094	74,094	74,094		74,094
0602622A	14	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	3,675	6,675	3,675	3,000	6,675
		Metallic particles in defense applications obscurant smokes		[3,000]		[3,000]	
0602623A	15	JOINT SERVICE SMALL ARMS PROGRAM	5,812	5,812	5,812		5,812

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0602624A	16	WEAPONS AND MUNITIONS TECHNOLOGY	38,090	47,090	41,490	7,000	45,090
		M795 extended range, high explosive baseburner projectile		[6,000]		[4,000]	
		Explosively formed penetrators		[3,000]			
		Generation 2 warhead development (X-caliber) explosively formed penetrators				[2,000]	
		Tungsten kinetic energy projectile			[1,000]	[1,000]	
		Warhead technology for Future Combat System (FCS)			[2,400]		
0602705A	17	ELECTRONICS AND ELECTRONIC DEVICES	27,448	32,448	29,448	4,000	31,448
		Advanced fuel cell technology		[5,000]		[2,000]	
		Portable hybrid electric power systems			[2,000]	[2,000]	
0602709A	18	NIGHT VISION TECHNOLOGY	22,333	25,333	22,333		22,333
		Eye-safe laser		[3,000]			
0602712A	19	COUNTERMINE SYSTEMS	13,186	13,186	25,686	5,000	18,186
		Polymer-based landmine detection			[2,000]	[2,000]	
		Acoustic landmine detection			[3,000]	[3,000]	
		Airborne landmine detection			[7,500]		
0602716A	20	HUMAN FACTORS ENGINEERING TECHNOLOGY	17,415	20,415	17,415	3,000	20,415
		Human factors engineering technology		[3,000]		[3,000]	
0602720A	21	ENVIRONMENTAL QUALITY TECHNOLOGY	23,018	23,018	27,018	3,000	26,018
		Environmental restoration technology			[4,000]	[3,000]	

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0602782A	22	COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	21,821	21,821	21,821		21,821
		Mobile emergency broadband system					
0602783A	23	COMPUTER AND SOFTWARE TECHNOLOGY	4,354	4,354	4,354		4,354
0602784A	24	MILITARY ENGINEERING TECHNOLOGY	51,124	51,124	63,124	12,000	63,124
		Geosciences research			[2,000]	[2,000]	
		Stationary fuel cell initiative			[10,000]	[10,000]	
0602785A	25	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	14,335	15,835	14,335		14,335
		Distance learning		[1,500]			
0602786A	26	WARFIGHTER TECHNOLOGY	25,502	27,502	28,002		25,502
		Clothing & equipment technology		[2,000]			
		Heavy precision airdrop technology			[2,500]		
0602787A	27	MEDICAL TECHNOLOGY	67,476	80,476	67,476	12,500	79,976
		Metabolically engineered tissues for trauma care		[2,000]		[1,500]	
		Hemoglobin-based oxygen carrier		[7,000]		[7,000]	
		Eliminating arthropod-borne infectious diseases		[4,000]		[4,000]	

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0602789A	28	ARMY ARTIFICIAL INTELLIGENCE TECHNOLOGY					
0602805A	29	DUAL USE SCIENCE AND TECHNOLOGY					
0603001A	30	WARFIGHTER ADVANCED TECHNOLOGY	50,262	51,762	90,262	6,500	56,762
		Metrology		[1,500]		[1,500]	
		Personal navigation of the future warfighter			[5,000]	[5,000]	
		Warfighter position, location, & tracking sensor			[3,000]		
		Objective Force Warrior technologies			[32,000]		
0603002A	31	MEDICAL ADVANCED TECHNOLOGY	16,590	22,090	16,590	3,500	20,090
		Stable hemostat		[3,500]		[3,500]	
		Textile electronic garments for combat casualty care		[2,000]			
0603003A	32	AVIATION ADVANCED TECHNOLOGY	45,404	45,404	48,404	3,000	48,404
		UAV datalinks			[3,000]	[3,000]	
0603004A	33	WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	66,514	67,514	66,514		66,514
		Mobile fire support system (see Navy)		[1,000]			

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603005A	34	COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	229,778	240,528	270,778	40,000	269,778
		Advanced Army composite bridge full scale demonstration		[3,000]			
		Fuel catalyst research & evaluation		[2,000]		[1,500]	
		Rotary multi-fuel auxiliary power unit (APU)		[5,000]	[3,000]	[5,000]	
		Automated document conversion		[750]			
		Imp Matls & Powertrain Arch for 21st Century Truck (IMPACT)			[3,000]	[3,000]	
		Networked standardized exchange of product data			[5,000]	[3,000]	
		Mobile parts hospital			[8,000]	[8,000]	
		Rapid prototyping			[2,000]	[2,000]	
		Hybrid electric vehicles			[7,500]	[7,500]	
		Unmanned ground vehicles (UGVs)			[5,000]		
		Active protection system			[7,500]		
		Future Scout & Cavalry vehicle demonstration				[10,000]	
0603006A	35	COMMAND, CONTROL, COMMUNICATIONS ADVANCED	4,826	7,226	4,826		4,826
		Unmanned aerial vehicle / unmanned ground vehicle demonstration		[2,400]			
0603007A	36	MANPOWER, PERSONNEL AND TRAINING ADVANCED	3,527	5,627	5,527	2,000	5,527
		Aircrew coordination training		[2,100]	[2,000]	[2,000]	
0603008A	37	ELECTRONIC WARFARE ADVANCED TECHNOLOGY (H)	28,254	28,254	28,254		28,254
0603009A	38	TRACTOR HIKE	18,069	18,069	18,069		18,069
0603017A	39	TRACTOR RED					
0603020A	40	TRACTOR ROSE	4,895	4,895	4,895		4,895

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603105A	41	MILITARY HIV RESEARCH					
0603122A	42	TRACTOR HIP					
0603125A	42a	Combating Terrorism, Technology Development		48,900	43,900	48,900	48,900
		Language translation (Transfer from DERF)		[7,300]	[7,300]	[7,300]	
		Blue force awareness suite (Transfer from DERF)		[10,000]	[10,000]	[10,000]	
		Remote observation & confirming sensors (Transfer from DERF)		[600]	[600]	[600]	
		Multi-function remote unattended ground sensor (Transfer from DERF)		[1,500]	[1,500]	[1,500]	
		Laser induced breakdown spectroscopy (Transfer from DERF)		[1,500]	[1,500]	[1,500]	
		Universal soldier sensor (Transfer from DERF)		[8,000]	[8,000]	[8,000]	
		CT echelon surveillance & reconnaissance (Transfer from DERF)		[20,000]	[15,000]	[20,000]	
0603238A	43	GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE	31,291	31,291	31,291		31,291
0603270A	44	EW TECHNOLOGY	11,600	11,600	11,600		11,600
0603313A	45	MISSILE AND ROCKET ADVANCED TECHNOLOGY	87,890	99,390	102,890	14,000	101,890
		Volumetrically controlled manufacturing		[11,500]		[9,000]	
		Loiter attack munition			[15,000]	[5,000]	
0603322A	46	TRACTOR CAGE	3,083	3,083	3,083		3,083
0603606A	47	LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	24,104	24,104	24,104		24,104
0603607A	48	JOINT SERVICE SMALL ARMS PROGRAM	6,013	15,813	6,013	7,000	13,013
		Anti-materiel sniper rifle		[9,800]		[7,000]	
0603654A	49	LINE-OF-SIGHT TECHNOLOGY DEMONSTRATION	28,283	28,283	28,283		28,283

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603710A	50	NIGHT VISION ADVANCED TECHNOLOGY	36,494	52,294	44,294	10,300	46,794
		Wire detection & obstacle avoidance system for helicopters		[4,000]			
		Night vision fusion		[9,000]		[4,500]	
		Helmet-mounted thermal imaging system		[2,800]		[2,800]	
		Warfighter / firefighter position, location & tracking (PLT) sensor				[3,000]	
		Sensors for micro air vehicles			[5,000]		
		High speed target recognition			[2,800]		
0603728A	51	ENVIRONMENTAL QUALITY TECHNOLOGY DEMONSTRATIONS	8,980	8,980	8,980		8,980
0603734A	52	MILITARY ENGINEERING ADVANCED TECHNOLOGY	2,921	5,921	7,921	5,000	7,921
		Energy & sustainability research		[3,000]			
		Proton exchange membrane fuel cell demonstration			[5,000]	[5,000]	
0603772A	53	ADVANCED TACTICAL COMPUTER SCIENCE AND SENSOR	21,674	21,674	21,674		21,674
0603305A	54	ARMY MISSILE DEFENSE SYSTEMS INTEGRATION	27,887	27,887	27,887		27,887

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603308A	55	ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)	7,417	54,417	25,917	47,500	54,917
		Thermionics technology		[5,000]		[4,000]	
		Mobile tactical high energy laser (MTHEL)		[25,000]		[20,000]	
		P3 micro-power devices for missile defense applications		[3,000]		[3,000]	
		Advanced battery technology demonstration & validation program		[8,000]		[2,000]	
		Low-cost interceptor flight test demonstrations			[8,000]	[8,000]	
		Supercluster distributed memory technology (SDMT)			[4,000]	[4,000]	
		Family of systems simulators (FOSSIM)		[6,000]	[2,000]	[2,000]	
		Radar power technology			[4,500]	[4,500]	
0603619A	56	LANDMINE WARFARE AND BARRIER - ADV DEV	20,286	20,286	20,286	-10,116	10,170
		Termination of Wide Area Munition (WAM)				[-10,116]	
0603627A	57	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ADV DEV	2,432	2,432	2,432		2,432
0603639A	58	TANK AND MEDIUM CALIBER AMMUNITION	11,354	11,354	11,354		11,354
0603645A	58a	Future Combat System DEM/VAL				114,509	114,509
		Netfire system technology				[57,000]	
		Netfire C4ISR technology				[57,509]	
0603653A	59	ADVANCED TANK ARMAMENT SYSTEM (ATAS)	124,108	124,108	127,108	26,800	150,908
		Common remote stabilized sensor system (CRS3)			[3,000]	[3,000]	
		IAV - mobile gun system testing -- transfer from PWTCVA 8				[23,800]	
0603713A	60	ARMY DATA DISTRIBUTION SYSTEM					
0603747A	61	SOLDIER SUPPORT AND SURVIVABILITY	20,788	20,788	20,788		20,788

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603766A	62	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM - ADV DEV	16,392	16,392	16,392		16,392
0603774A	63	NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT	11,694	11,694	11,694		11,694
0603779A	64	ENVIRONMENTAL QUALITY TECHNOLOGY DEM/VAL	9,331	11,331	10,331		9,331
		Asbestos pilot project		[2,000]			
		Army technology environmental enhancement			[1,000]		
0603782A	65	WARFIGHTER INFORMATION NETWORK-TACTICAL - DEM/VAL	60,809	60,809	60,809		60,809
		Reduce programmed growth					
0603790A	66	NATO RESEARCH AND DEVELOPMENT	8,773	8,773	8,773		8,773
0603801A	67	AVIATION - ADV DEV	8,643	8,643	8,643		8,643
0603802A	68	WEAPONS AND MUNITIONS - ADV DEV	27,761	27,761	27,761	10,800	38,561
		Crusader amendment - precision guided mortar munition				[10,800]	
0603804A	69	LOGISTICS AND ENGINEER EQUIPMENT - ADV DEV	11,419	16,419	16,919	5,500	16,919
		Nuclear, biological & chemical agent detection & removal		[5,000]			
		Prototype composite hull design for Theater Support Vessel			[5,500]	[5,500]	
0603805A	70	COMBAT SERVICE SUPPORT CONTROL SYSTEM EVALUATION	8,971	8,971	8,971		8,971
0603807A	71	MEDICAL SYSTEMS - ADV DEV	10,398	10,398	10,398		10,398
0603850A	72	INTEGRATED BROADCAST SERVICE (JMIP/DISTP)	1,962	1,962	1,962		1,962
0603851A	73	TRACTOR CAGE (DEM/VAL)					

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603854A	74	ARTILLERY SYSTEMS - DEM/VAL	251,665	251,665		116,835	368,500
		Transfer Crusader funds to Future Combat System - PE 64645A (RDA 94)			[-246,665]	[-246,665]	
		Artillery system - DEM/VAL residual transfer			[-5,000]	[-5,000]	
		Future combat systems non line-of-sight cannon				[368,500]	
0603856A	75	SCAMP BLOCK II DEM/VAL	21,006	21,006	21,006		21,006
0603869A	76	MEDIUM EXTENDED AIR DEFENSE SYSTEM (MEADS) CONCEPTS -	117,745		69,745	-117,745	
		Transfer to MDA PE 63881C (RDDW 73)		[-117,745]		[-117,745]	
		Lack of internationally agreed-upon plan			[-48,000]		
	76a	Dem/val Test and Evaluation transfer			-5,000		
0604201A	77	AIRCRAFT AVIONICS	40,308	40,308	40,308		40,308
0604220A	78	ARMED, DEPLOYABLE OH-58D	1,873	1,873	1,873		1,873
0604223A	79	COMANCHE	914,932	914,932	914,932		914,932
0604270A	80	EW DEVELOPMENT	22,819	45,719	38,719	15,900	38,719
		Prophet block II-IV acceleration (Transfer from DERF)		[15,900]	[15,900]	[15,900]	
		Adv threat IR countermeasures (ATIRCM)/common missile warning sys (CMWS) test facility upgrade		[7,000]			
0604280A	81	JOINT TACTICAL RADIO	65,818	65,818	65,818		65,818

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0604321A	82	ALL SOURCE ANALYSIS SYSTEM	42,322	58,622	54,622	12,300	54,622
		FALCON language translator (Transfer from DERF)		[8,000]	[8,000]	[8,000]	
		Analysis & control element (ACE) software development (Transfer from DERF)		[4,300]	[4,300]	[4,300]	
		Non-traditional intelligence analysis toolset		[4,000]			
0604328A	83	TRACTOR CAGE	9,800	9,800	9,800		9,800
0604329A	84	COMMON MISSILE	29,919	29,919	29,919		29,919
0604601A	85	INFANTRY SUPPORT WEAPONS					
0604604A	86	MEDIUM TACTICAL VEHICLES	1,953	1,953	1,953		1,953
0604609A	87	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ENG DEV	8,153	8,153	8,153		8,153
0604611A	88	JAVELIN	489	13,589	6,989		489
		Javelin		[13,100]			
		Counteractive protection capability			[6,500]		
0604619A	89	LANDMINE WARFARE	11,913	11,913	11,913		11,913
0604622A	90	FAMILY OF HEAVY TACTICAL VEHICLES	3,990	3,990	3,990		3,990
0604633A	91	AIR TRAFFIC CONTROL	2,339	2,339	2,339		2,339
0604641A	92	TACTICAL UNMANNED GROUND VEHICLE (TUGV)					
0604642A	93	LIGHT TACTICAL WHEELED VEHICLES	7,877	7,877	7,877		7,877

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0604645A	94	ARMORED SYSTEMS MODERNIZATION (ASM)-ENG. DEV.	59,860	59,860	640,460	105,000	164,860
		Future combat system (FCS)			[105,000]	[105,000]	
		Transfer from Crusader funds -PE 63854A (RDA 74)			[246,665]		
		Transfer from Crusader funds -PE 64854A (RDA 125)			[228,935]		
0604649A	95	ENGINEER MOBILITY EQUIPMENT DEVELOPMENT	8,146	8,146	8,146		8,146
0604710A	96	NIGHT VISION SYSTEMS - ENG DEV	32,328	32,328	32,328		32,328
0604713A	97	COMBAT FEEDING, CLOTHING, AND EQUIPMENT	94,474	94,474	94,474		94,474
0604715A	98	NON-SYSTEM TRAINING DEVICES - ENG DEV	43,650	43,650	43,650		43,650
0604716A	99	TERRAIN INFORMATION - ENG DEV	8,232	8,232	8,232		8,232
0604726A	100	INTEGRATED METEOROLOGICAL SUPPORT SYSTEM	3,417	3,417	3,417		3,417
0604738A	101	JSIMS CORE PROGRAM	24,230	24,230	27,230		24,230
		Common component workstation			[3,000]		
0604739A	102	INTEGRATED BROADCAST SERVICE					
0604741A	103	AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE - ENG DEV	26,978	26,978	26,978		26,978
0604742A	104	CONSTRUCTIVE SIMULATION SYSTEMS DEVELOPMENT	53,294	53,294	53,294		53,294
0604746A	105	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	11,839	19,839	15,739		11,839
		Digital source collector - health usage monitoring system for Apache		[8,000]			
		Digital source collector - health & monitoring system			[3,900]		
0604760A	106	DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ENGINEERING	21,487	21,487	21,487		21,487
0604766A	107	TACTICAL SURVEILLANCE SYSTEMS - ENG DEV	56,662	56,662	56,662		56,662

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0604768A	108	BRILLIANT ANTI-ARMOR SUBMUNITION (BAT)	190,293	245,293	245,293	-114,173	76,120
		Earth-penetrating warhead for TACMS (Transfer from DERF)		[55,000]	[55,000]	[0]	
		Return program to Science & Technology Base					
		Restructure of program				[-114,173]	
0604770A	109	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM	4,740	4,740	4,740		4,740
0604778A	110	POSITIONING SYSTEMS DEVELOPMENT (SPACE)					
0604780A	111	COMBINED ARMS TACTICAL TRAINER (CATT) CORE	7,579	7,579	7,579		7,579
0604783A	112	JOINT NETWORK MANAGEMENT SYSTEM	8,028	8,028	8,028		8,028
0604801A	113	AVIATION - ENG DEV	3,150	3,150	3,150		3,150
0604802A	114	WEAPONS AND MUNITIONS - ENG DEV	41,758	51,158	41,758	3,400	45,158
		Shoulder-launched multipurpose assault weapon-disposable (SMAW-D)		[6,000]			
		Common remotely operated weapon system (CROWS)		[3,400]		[3,400]	
0604804A	115	LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV	65,857	65,857	65,857		65,857
0604805A	116	COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV	82,238	99,238	82,238	17,000	99,238
		Applied communications & information networking (ACIN) program		[17,000]		[17,000]	
0604807A	117	MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE	12,625	17,625	12,625		12,625
		Life support for trauma & transport (LSTAT) spiral development		[5,000]			
0604808A	118	LANDMINE WARFARE/BARRIER - ENG DEV	128,992	101,692	128,992		128,992
		Landmine warfare / barrier engineering development		[-27,300]			
0604814A	119	ARTILLERY MUNITIONS - EMD	70,888	70,888	70,888	48,300	119,188
		Crusader amendment - Excalibur projectile development				[48,300]	

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0604817A	120	COMBAT IDENTIFICATION	1,995	1,995	1,995		1,995
0604818A	121	ARMY TACTICAL COMMAND & CONTROL HARDWARE &	80,672	80,672	90,672	17,738	98,410
		Transfer from A2C2S procurement - APA 26			[10,000]	[17,738]	
0604819A	122	LOSAT	14,463	14,463	14,463		14,463
0604820A	123	RADAR DEVELOPMENT					
0604823A	124	FIREFINDER	26,122	26,122	26,122		26,122
0604854A	125	ARTILLERY SYSTEMS - EMD	251,376	251,376	22,441	-221,435	29,941
		Transfer Crusader funds to Future Combat System - PE 64645A (RDA 94)			[-228,935]	[-228,935]	
		Crusader amendment - Paladin upgrades				[7,500]	
0604865A	126	PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION - EMD	150,819		150,819	-150,819	
		Transfer to MDA PE 64865C (RDDW 88)		[-150,819]		[-150,819]	
0605013A	127	INFORMATION TECHNOLOGY DEVELOPMENT	50,865	50,865	50,865		50,865
	127a	EMD Test and Evaluation transfer			-18,000		
0604256A	128	THREAT SIMULATOR DEVELOPMENT	15,251	15,251	18,251	3,000	18,251
		Multi-mode top attack threat simulators			[3,000]	[3,000]	
0604258A	129	TARGET SYSTEMS DEVELOPMENT	10,772	10,772	10,772		10,772
0604759A	130	MAJOR T&E INVESTMENT	53,797	53,797	82,797		53,797
		Transfer from acquisition programs			[29,000]		
0605103A	131	RAND ARROYO CENTER	22,148	22,148	17,148		22,148
		Army reports, studies, & analyses			[-5,000]		
0605301A	132	ARMY KWAJALEIN ATOLL	132,831	132,831	132,831		132,831

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0605326A	133	CONCEPTS EXPERIMENTATION PROGRAM	22,627	22,627	25,627	3,000	25,627
		Battle Lab cooperative R&D			[3,000]	[3,000]	
0605502A	134	SMALL BUSINESS INNOVATIVE RESEARCH					
0605601A	135	ARMY TEST RANGES AND FACILITIES	144,183	144,183	144,183		144,183
0605602A	136	ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS	43,222	43,222	43,222		43,222
0605604A	137	SURVIVABILITY/LETHALITY ANALYSIS	39,200	39,200	39,200		39,200
0605605A	138	DOD HIGH ENERGY LASER TEST FACILITY	14,410	14,410	14,410		14,410
0605606A	139	AIRCRAFT CERTIFICATION	4,062	4,062	4,062		4,062
0605702A	140	METEOROLOGICAL SUPPORT TO RDT&E ACTIVITIES	7,310	7,310	7,310		7,310
0605706A	141	MATERIEL SYSTEMS ANALYSIS	10,189	10,189	10,189		10,189
0605709A	142	EXPLOITATION OF FOREIGN ITEMS	3,490	3,490	3,490		3,490
0605712A	143	SUPPORT OF OPERATIONAL TESTING	99,375	99,375	99,375		99,375
0605716A	144	ARMY EVALUATION CENTER	41,250	41,250	41,250		41,250
0605801A	145	PROGRAMWIDE ACTIVITIES	78,452	78,452	78,452		78,452
0605803A	146	TECHNICAL INFORMATION ACTIVITIES	34,040	34,040	34,040		34,040
0605805A	147	MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	16,014	16,014	16,014		16,014
0605856A	148	ENVIRONMENTAL COMPLIANCE					
0605857A	149	ENVIRONMENTAL QUALITY TECHNOLOGY MGMT SUPPORT	1,902	1,902	1,902		1,902
0605898A	150	MANAGEMENT HEADQUARTERS (RESEARCH AND	11,533	11,533	11,533		11,533
0909999A	151	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS					

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603778A	152	MLRS PRODUCT IMPROVEMENT PROGRAM	57,825	57,825	57,825	55,000	112,825
		Crusader amendment - Guided MLRS unitary warhead				[45,000]	
		Crusader amendment - HIMARS P3I				[10,000]	
0102419A	153	AEROSTAT JOINT PROJECT OFFICE	29,081	31,081	33,081	2,000	31,081
		Lightweight X-band radar		[2,000]		[2,000]	
		Aerostat design & manufacturing (ADAM) program			[4,000]		
0203610A	154	DOMESTIC PREPAREDNESS AGAINST WEAPONS OF MASS					
0203726A	155	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	38,161	38,161	38,161	4,000	42,161
		Crusader amendment - AFATDS				[4,000]	
0203735A	156	COMBAT VEHICLE IMPROVEMENT PROGRAMS	54,465	54,465	54,465	28,600	83,065
		Crusader amendment - Abrams engine program (ACCE)				[28,600]	
0203740A	157	MANEUVER CONTROL SYSTEM	44,444	44,444	44,444		44,444
0203744A	158	AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS	196,794	196,794	196,794		196,794
0203752A	159	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	3,689	3,689	11,689	5,500	9,189
		Full authority digital engine controller (FADEC)			[5,000]	[4,000]	
		Liquid or light-end air (LOLA) boost pump			[3,000]	[1,500]	
0203758A	160	DIGITIZATION	28,968	32,968	28,968	4,000	32,968
		Dismounted situation awareness system map (DISM)		[4,000]		[4,000]	
0203759A	161	FORCE XXI BATTLE COMMAND, BRIGADE AND BELOW (FBCB2)	64,915	64,915	64,915		64,915
0203761A	162	FORCE XXI, WARFIGHTING RAPID ACQUISITION PROGRAM					
0203801A	163	MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM	43,738	43,738	43,738		43,738

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0203802A	164	OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS	13,018	13,018	13,018		13,018
0203808A	165	TRACTOR CARD	8,891	8,891	8,891		8,891
0208010A	166	JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI-TAC)	14,121	14,121	14,121		14,121
0208053A	167	JOINT TACTICAL GROUND SYSTEM	2,860	2,860	2,860		2,860
0301359A	168	SPECIAL ARMY PROGRAM	7,031	7,031	11,031		7,031
0303028A	169	SECURITY AND INTELLIGENCE ACTIVITIES	5,438	10,438	10,638	14,200	19,638
		Intelligence & Security Command (INSCOM) global information portal		[5,000]		[5,000]	
		Language training software			[5,200]	[5,200]	
		Non-traditional intelligence analysis toolset				[4,000]	
0303140A	170	INFORMATION SYSTEMS SECURITY PROGRAM	14,844	14,844	18,344	3,500	18,344
		Integrated information security research			[3,500]	[3,500]	
0303141A	171	GLOBAL COMBAT SUPPORT SYSTEM	71,864	51,864	71,864		71,864
		GCSS-A program delays		[-20,000]			
0303142A	172	SATCOM GROUND ENVIRONMENT (SPACE)	72,244	72,244	72,244		72,244
0303150A	173	WWMCCS/GLOBAL COMMAND AND CONTROL SYSTEM	17,895	17,895	17,895		17,895
0305114A	174	TRAFFIC CONTROL, APPROACH AND LANDING SYSTEM-FY 1987	977	977	977		977
0305204A	175	TACTICAL UNMANNED AERIAL VEHICLES	46,479	63,579	58,579	23,500	69,979
		Hunter ground control station (Transfer from DERF)		[12,100]	[12,100]	[12,100]	
		Mini-backpack unmanned aerial vehicle		[5,000]			
		Crusader - TUAV target location error				[11,400]	

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0305206A	176	AIRBORNE RECONNAISSANCE SYSTEMS	4,882	13,082	7,882	7,000	11,882
		Signature-based unattended MASINT sensors (Transfer from DERF)		[3,000]	[3,000]	[3,000]	
		Hyperspectral long-wave imager for the tactical environment		[5,200]		[4,000]	
0305208A	177	DISTRIBUTED COMMON GROUND SYSTEMS	15,683	37,383	37,383	21,700	37,383
		Wideband ISR network (Transfer from DERF)		[2,000]	[2,000]	[2,000]	
		MASINT tools (Transfer from DERF)		[2,000]	[2,000]	[2,000]	
		MASINT tools - other		[3,000]			
		Integrate DCGS-A at EAC (Transfer from DERF)		[5,000]	[5,000]	[5,000]	
		Integrate DCGS-A at EAC - other		[3,000]			
		Integrate common data link (CDL) into DCGS-A (Transfer from DERF)		[2,000]	[8,000]	[8,000]	
		MTI / MP-RTIP integration (Transfer from DERF)		[4,700]	[4,700]	[4,700]	
0708045A	178	END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	61,025	63,025	68,025	2,000	63,025
		Bipolar wafer cell nickel-metal hydride battery		[2,000]		[2,000]	
		Manufacturing technologies (MANTECH)			[7,000]		
1001018A	179	NATO JOINT STARS	512	512	512		512
	179a	Civilian personnel accounting adjustment		-98,161	-98,161	-98,161	-98,161
	179b	Financial management savings			-17,700	-17,700	-17,700
	179c	Contract services savings			-13,700	-9,671	-9,671
	179d	Operational systems development T&E transfer			-6,000		
		Total, RDT&E Army	**6,918,494**	**6,933,319**	**7,301,433**	**239,762**	**7,158,256**

NAVY

Research, Development, Test and Evaluation, Navy—Overview

The budget request for fiscal year 2003 included an authorization of $12,501.6 million for Research, Development, Test and Evaluation, Navy in the Department of Defense.

The House bill would authorize $13,274.5 million.

The Senate amendment would authorize $12,913.1 million.

The conferees recommend an authorization of $13,244.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, NAVY					
0601152N	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	16,352	16,352	16,352		16,352
0601153N	2	DEFENSE RESEARCH SCIENCES	393,557	395,657	403,557	5,000	398,557
		Robotic countermine technologies			[3,000]	[3,000]	
		Marine mammal research program		[2,100]			
		Marine mammal detection & mitigation			[2,000]		
		Marine mammal research				[2,000]	
		Corrosion R&D			[5,000]		
0602111N	3	AIR AND SURFACE LAUNCHED WEAPONS TECHNOLOGY					
0602114N	4	POWER PROJECTION APPLIED RESEARCH	76,612	105,312	76,612	13,300	89,912
		Strategic systems technology modernization (Transfer from DERF)		[7,300]		[7,300]	
		Integrated high payoff rocket propulsion technology (IHPRPT)		[5,000]			
		Hybrid fiber optic / wireless communications		[2,000]			
		Portable digital precision location system		[4,400]			
		Laser interrogator for high-speed covert retro-reflectometer		[5,000]		[2,000]	
		Low cost swarm unmanned aerial vehicle program		[5,000]		[4,000]	
0602121N	5	SHIP, SUBMARINE & LOGISTICS TECHNOLOGY					
0602122N	6	AIRCRAFT TECHNOLOGY					

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0602123N	7	FORCE PROTECTION APPLIED RESEARCH	89,390	96,390	103,890	11,500	100,890
		Advanced smart propulsor product model		[4,000]			
		Laser welding & cutting		[3,000]		[3,000]	
		Laser welding & cutting demonstration			[6,000]		
		Data fusion processor			[3,000]	[3,000]	
		Corrosion maintenance & airframe readiness technologies			[2,500]		
		Anti-corrosion modeling software				[2,500]	
		Advanced power systems			[2,000]	[2,000]	
		Center for Advanced Power Systems (CAPS)					
		Fiber reinforced polymer (FRP) composites research			[1,000]	[1,000]	
0602131M	8	MARINE CORPS LANDING FORCE TECHNOLOGY	30,274	30,274	30,274		30,274
0602232N	9	COMMUNICATIONS, COMMAND AND CONTROL, INTELLIGENCE,					
0602233N	10	HUMAN SYSTEMS TECHNOLOGY					
0602234N	11	MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY					
0602235N	12	COMMON PICTURE APPLIED RESEARCH	75,594	75,594	75,594		75,594

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0602236N	13	WARFIGHTER SUSTAINMENT APPLIED RESEARCH	68,852	83,352	72,852	15,000	83,852
		Fibrous monolithic materials insertion		[7,000]		[4,500]	
		Human factors & improved performance integration tool (IMPRINT)		[2,000]		[1,500]	
		Commercial, off-the-shelf (COTS) carbon fiber qualification program for aircraft & missiles		[3,000]		[3,000]	
		Formable aligned carbon thermosets (FACTS)		[2,500]		[2,000]	
		Ceramic & carbon-based materials			[2,000]	[2,000]	
		Integrated bioenvironmental hazards research program			[2,000]	[2,000]	
0602270N	14	ELECTRONIC WARFARE TECHNOLOGY					
0602271N	15	RF SYSTEMS APPLIED RESEARCH	56,263	75,263	68,763	20,500	76,763
		Vacuum electronics		[8,000]		[8,000]	
		Wide bandgap semiconductor materials		[8,000]			
		Wide bandgap silicon carbide semiconductor research initiative			[2,500]	[2,500]	
		High brightness electron sources		[3,000]	[3,000]	[3,000]	
		Silicon carbide research & technology			[2,500]	[2,500]	
		Advanced semiconductor research			[1,500]	[1,500]	
		Nanoscience & technology			[3,000]	[3,000]	
0602314N	16	UNDERSEA WARFARE SURVEILLANCE TECHNOLOGY					
0602315N	17	MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE					
0602435N	18	OCEAN WARFIGHTING ENVIRONMENT APPLIED RESEARCH	55,180	60,180	55,180	5,000	60,180
		Navy support of research in oceanography		[5,000]		[5,000]	

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(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0602633N	19	UNDERSEA WARFARE WEAPONRY TECHNOLOGY					
0602747N	20	UNDERSEA WARFARE APPLIED RESEARCH	71,294	71,294	74,794	3,500	74,794
		Low acoustic signature motors & propulsors			[3,500]	[3,500]	
0602782N	21	MINE AND EXPEDITIONARY WARFARE APPLIED RESEARCH	56,813	56,813	54,313		56,813
		Reduce program growth			[-2,500]		
0602805N	22	DUAL USE SCIENCE AND TECHNOLOGY PROGRAM					
0603114N	23	POWER PROJECTION ADVANCED TECHNOLOGY	78,247	114,647	73,747	22,000	100,247
		Affordable weapon		[15,400]		[10,000]	
		DP-2 thrust vectoring program		[7,000]		[7,000]	
		Demonstrate advanced camouflage coatings & treatments for UAVs		[5,000]		[5,000]	
		Real-time precision tracking radar		[9,000]			
		Reduce program growth			[-4,500]		

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603123N	24	FORCE PROTECTION ADVANCED TECHNOLOGY	57,604	149,304	84,604	60,000	117,604
		Technology, unmanned surface vehicle (Transfer from DERF)		[36,000]	[24,000]	[22,500]	
		Littoral support craft - experimental (LSC-X)		[13,700]		[13,000]	
		Superconducting DC homopolar motor		[5,000]		[4,000]	
		Advanced ducted electric propulsion pod		[10,000]			
		Electric propulsion / ship power system distributed test bed		[5,000]		[3,000]	
		Ship service fuel cell		[4,000]	[2,000]	[4,000]	
		SEAL Mk V patrol craft modification		[6,000]		[2,500]	
		High temperature superconducting AC synchronous Navy propulsion		[7,000]		[7,000]	
		Permanent magnet generator development			[1,000]	[1,000]	
		Knowledge projection for fleet maintenance		[3,000]		[3,000]	
		Small combatant craft		[2,000]			
0603217N	25	AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY					
0603235N	26	COMMON PICTURE ADVANCED TECHNOLOGY	37,753	47,753	40,253	13,000	50,753
		Command center visualization (Transfer from DERF)		[7,000]	[7,000]	[7,000]	
		Integrated maritime picture system of systems		[3,000]			
		Improved shipboard combat information center				[6,000]	
		Reduce program growth			[-4,500]		

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603236N	27	WARFIGHTER SUSTAINMENT ADVANCED TECHNOLOGY	82,542	89,042	80,542	2,000	84,542
		Electronic interconnection research & development program		[3,000]		[2,000]	
		Shipboard integrated data environment		[3,500]			
		Corrosion-resistant glass technologies			[2,500]		
		Reduce program growth			[-4,500]		
0603238N	28	PRECISION STRIKE AND AIR DEFENSE TECHNOLOGY					
0603270N	29	ADVANCED ELECTRONIC WARFARE TECHNOLOGY					
0603271N	30	RF SYSTEMS ADVANCED TECHNOLOGY	65,098	73,298	67,098		65,098
		Advanced stealth ship radar		[5,800]			
		Multipurpose sensor		[2,400]			
		Multifunction antenna systems			[2,000]		
0603508N	31	SURFACE SHIP & SUBMARINE HM&E ADVANCED TECHNOLOGY					
0603640M	32	MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION	51,606	75,106	53,606	11,000	62,606
		Advanced light strike vehicle		[6,000]		[4,500]	
		Mobile fire support system (MFSS) 120mm rifled mortar program		[5,000]		[4,000]	
		Joint mission high-speed vessel		[9,000]			
		Water purification-expeditionary warfare		[2,000]			
		Rapid deployment fortification wall		[1,500]		[1,500]	
		Analysis of emerging threats			[2,000]	[1,000]	
0603706N	33	MEDICAL DEVELOPMENT					
0603707N	34	MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV					

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0603712N	35	ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED			4,000	4,000	4,000
		National Surface Treatment Center			[4,000]	[4,000]	
0603727N	36	NAVY TECHNICAL INFORMATION PRESENTATION SYSTEM	97,872	97,872	97,872		97,872
0603729N	37	WARFIGHTER PROTECTION ADVANCED TECHNOLOGY	19,040	35,140	19,040	7,000	26,040
		Portable sterile water production device		[2,600]		[2,000]	
		Organ transfer technology		[5,000]			
		Biomedical research imaging		[5,000]		[5,000]	
		Modeling & simulation of surgical procedures for battlefield trauma		[3,500]			
0603747N	38	UNDERSEA WARFARE ADVANCED TECHNOLOGY	40,125	40,125	40,125		40,125
0603758N	39	NAVY WARFIGHTING EXPERIMENTS AND DEMONSTRATIONS	43,460	43,460	43,460		43,460
0603782N	40	MINE AND EXPEDITIONARY WARFARE ADVANCED TECHNOLOGY	43,725	46,725	46,725	2,000	45,725
		Ocean modeling for mine & expeditionary warfare		[3,000]		[2,000]	
		Mine countermeasures			[3,000]		
0603792N	41	ADVANCED TECHNOLOGY TRANSITION					
0603794N	42	C3 ADVANCED TECHNOLOGY					
0603207N	43	AIR/OCEAN TACTICAL APPLICATIONS	32,549	32,549	32,549		32,549
0603216N	44	AVIATION SURVIVABILITY	7,486	21,986	11,486	9,500	16,986
		Aircrew integrated life support system (AILSS)		[6,500]		[6,500]	
		Real-time heart rate variability monitor		[8,000]			
		Aircrew modular helmet			[4,000]	[3,000]	

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0603237N	45	DEPLOYABLE JOINT COMMAND AND CONTROL	39,772	47,272	47,272	7,500	47,272
		Fully fund DJCC centers (Transfer from DERF)		[7,500]	[7,500]	[7,500]	
0603254N	46	ASW SYSTEMS DEVELOPMENT	13,207	18,207	13,207	3,500	16,707
		Nonlinear dynamics stochastic resonance		[5,000]		[3,500]	
0603261N	47	TACTICAL AIRBORNE RECONNAISSANCE	1,922	1,922	1,922		1,922
0603382N	48	ADVANCED COMBAT SYSTEMS TECHNOLOGY	3,350	3,350	3,350		3,350
0603502N	49	SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	155,016	170,016	155,016	5,500	160,516
		Surface Navy integrated undersea tactical technology (SNIUTT)		[10,000]		[5,500]	
		Mine countermeasures mine sweep mid-life assessment & upgrade		[5,000]			
0603506N	50	SURFACE SHIP TORPEDO DEFENSE	3,244	3,244	3,244		3,244
0603512N	51	CARRIER SYSTEMS DEVELOPMENT	88,913	88,913	88,913		88,913
0603513N	52	SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	243,111	245,111	253,111	7,000	250,111
		Advanced variable speed drive systems		[2,000]		[1,000]	
		Electric start for gas turbine engines			[5,000]	[1,000]	
		COTS-style airbag technology for surface torpedo launch			[5,000]	[5,000]	
0603525N	53	PILOT FISH	72,637	72,637	72,637		72,637
0603527N	54	RETRACT LARCH	28,482	28,482	28,482		28,482
0603542N	55	RADIOLOGICAL CONTROL	1,078	1,078	1,078		1,078
0603553N	56	SURFACE ASW	3,219	3,219	3,219		3,219
0603559N	57	SSGN CONVERSION	82,527	82,527	82,527		82,527

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0603561N	58	ADVANCED SUBMARINE SYSTEM DEVELOPMENT	107,389	127,389	113,289	24,900	132,289
		MK 48 advanced capability torpedo improvements		[8,000]		[8,000]	
		Advanced composite sail		[5,000]		[4,000]	
		Submarine payloads & sensors program		[7,000]		[7,000]	
		Electromechanical actuator development			[1,900]	[1,900]	
		Electric motor brush technology			[4,000]	[4,000]	
0603562N	59	SUBMARINE TACTICAL WARFARE SYSTEMS	11,601	11,601	11,601		11,601
0603563N	60	SHIP CONCEPT ADVANCED DESIGN	5,820	10,820	9,820	4,000	9,820
		Autonomous maritime navigation		[5,000]			
		Requirements development for a littoral ship			[4,000]	[4,000]	
0603564N	61	SHIP PRELIMINARY DESIGN & FEASIBILITY STUDIES	2,983	2,983	2,983		2,983
0603570N	62	ADVANCED NUCLEAR POWER SYSTEMS	216,091	216,091	216,091		216,091
0603573N	63	ADVANCED SURFACE MACHINERY SYSTEMS	2,931	2,931	2,931		2,931
0603576N	64	CHALK EAGLE	20,978	20,978	20,978		20,978
0603582N	65	COMBAT SYSTEM INTEGRATION	40,464	60,464	40,464	20,000	60,464
		Navy common command & decision system		[20,000]		[20,000]	
0603609N	66	CONVENTIONAL MUNITIONS	22,445	22,445	18,445	-4,000	18,445
		Reduce unexplained warhead development			[-4,000]	[-4,000]	
0603611M	67	MARINE CORPS ASSAULT VEHICLES	272,092	272,092	272,092		272,092
0603612M	68	MARINE CORPS MINE/COUNTERMEASURES SYSTEMS - ADV DEV	497	497	497		497

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0603635M	69	MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM	27,777	27,777	30,577		27,777
		Lightweight 155mm howitzer testing			[2,800]		
0603654N	70	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	12,877	12,877	12,877		12,877
0603658N	71	COOPERATIVE ENGAGEMENT	86,144	86,144	86,144		86,144
0603713N	72	OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT	15,257	15,257	15,257		15,257
0603721N	73	ENVIRONMENTAL PROTECTION	44,206	44,206	44,206		44,206
0603724N	74	NAVY ENERGY PROGRAM	5,060	5,060	10,060	5,000	10,060
		Navy fuel cell technology program			[5,000]	[5,000]	
0603725N	75	FACILITIES IMPROVEMENT	2,124	4,624	2,124		2,124
		Photovoltaic energy park		[2,500]			
0603734N	76	CHALK CORAL	50,704	67,104	67,104	16,400	67,104
		Classified program (Transfer from DERF)		[5,000]	[5,000]	[5,000]	
		Classified program (Transfer from DERF)		[11,400]	[11,400]	[11,400]	
0603739N	77	NAVY LOGISTIC PRODUCTIVITY	13,023	24,023	13,023	8,000	21,023
		Rapid retargeting project		[5,000]		[4,000]	
		Compatible processor upgrade program (CPUP)		[6,000]		[4,000]	
0603746N	78	RETRACT MAPLE	212,506	276,506	276,506	64,000	276,506
		Classified program (Transfer from DERF)		[64,000]	[64,000]	[64,000]	
0603748N	79	LINK PLUMERIA	82,909	82,909	82,909		82,909
0603751N	80	RETRACT ELM	21,900	21,900	21,900		21,900
0603755N	81	SHIP SELF DEFENSE - DEM/VAL	5,930	5,930	5,930		5,930

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0603764N	82	LINK EVERGREEN	55,971	55,971	55,971		55,971
0603787N	83	SPECIAL PROCESSES	39,756	39,756	39,756		39,756
0603790N	84	NATO RESEARCH AND DEVELOPMENT	11,581	11,581	11,581		11,581
0603795N	85	LAND ATTACK TECHNOLOGY	108,693	134,193	108,693		108,693
		Advanced land attack missile (ALAM)		[11,000]			
		Extended range guided munitions (ERGM)		[14,500]			
0603800N	86	JOINT STRIKE FIGHTER (JSF) - DEM/VAL					
0603851M	87	NONLETHAL WEAPONS - DEM/VAL	24,082	24,082	26,082	2,000	26,082
		Urban operations environmental research				[2,000]	
0603857N	88	ALL SERVICE COMBAT IDENTIFICATION EVALUATION TEAM	14,414	14,414	14,414		14,414
0603860N	89	JOINT PRECISION APPROACH AND LANDING SYSTEMS - DEM/VAL	11,932	11,932	11,932		11,932
0603879N	90	SINGLE INTEGRATED AIR PICTURE (SIAP) SYSTEM ENGINEER (SE)	73,966	73,966	73,966		73,966
0603889N	91	COUNTERDRUG RDT&E PROJECTS					
0604707N	92	SPACE AND ELECTRONIC WARFARE (SEW)	31,623	31,623	31,623		31,623
	92a	Dem/val Test and Evaluation transfer			-15,000		
0603662N	93	FOREIGN COUNTER-INTELLIGENCE (FCI)	[ ]	[ ]	[ ]	[ ]	[ ]
0603787N	94	SPECIAL PROCESSES	[ ]	[ ]	[ ]	[ ]	[ ]
0603831N	95	CLASSIFIED PROGRAMS	[ ]	[ ]	[ ]	[ ]	[ ]

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0604212N	96	OTHER HELO DEVELOPMENT	31,123	38,623	32,623	5,500	36,623
		VH-3D/VH-60D comm upgrade (Transfer from DERF)		[1,500]	[1,500]	[1,500]	
		Sea-target laser aim scoring system (LASS)		[4,000]		[2,000]	
		Advanced cable design for mine / submarine warfare sensors & countermeasures		[2,000]		[2,000]	
0604214N	97	AV-8B AIRCRAFT - ENG DEV	18,565	18,565	18,565		18,565
0604215N	98	STANDARDS DEVELOPMENT	37,757	42,957	37,757	5,200	42,957
		Metrology		[5,200]		[5,200]	
0604216N	99	MULTI-MISSION HELICOPTER UPGRADE DEVELOPMENT	88,969	88,969	88,969		88,969
0604217N	100	S-3 WEAPON SYSTEM IMPROVEMENT	422	422	422		422
0604218N	101	AIR/OCEAN EQUIPMENT ENGINEERING	5,725	5,725	5,725		5,725
0604221N	102	P-3 MODERNIZATION PROGRAM	2,348	2,348	2,348		2,348
0604231N	103	TACTICAL COMMAND SYSTEM	81,475	81,475	65,475	-16,000	65,475
		Reduce FORCEnet effort that duplicates other R&D activities			[-16,000]	[-16,000]	
0604234N	104	E-2C RADAR MODERNIZATION	113,681	113,681	113,681		113,681
0604245N	105	H-1 UPGRADES	241,384	241,384	241,384		241,384
0604261N	106	ACOUSTIC SEARCH SENSORS	13,929	33,929	13,929		13,929
		Advanced extended echo-ranging (AEER) sonobuoy development		[20,000]			
0604262N	107	V-22A	420,109	420,109	420,109		420,109
0604264N	108	AIR CREW SYSTEMS DEVELOPMENT	6,695	6,695	6,695		6,695

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0604270N	109	EW DEVELOPMENT	74,742	87,742	74,742	13,000	87,742
		Airborne electronic attack follow-on		[10,000]		[10,000]	
		Location of Global Positioning System interferers (LOCO GPSI)		[3,000]		[3,000]	
0604280N	110	JOINT TACTICAL RADIO SYSTEM - NAVY (JTRS-NAVY)	20,373	20,373	20,373		20,373
0604300N	111	SC-21 TOTAL SHIP SYSTEM ENGINEERING	717,397	717,397	720,397	2,000	719,397
		Power node control center (PNCC)			[3,000]	[2,000]	
0604307N	112	SURFACE COMBATANT COMBAT SYSTEM ENGINEERING	300,748	310,748	308,248	5,000	305,748
		AEGIS baseline 7 phase II open systems architecture		[10,000]			
		DDG optimized manning initiative			[7,500]	[5,000]	
0604311N	113	LPD-17 CLASS SYSTEMS INTEGRATION	10,133	10,133	10,133		10,133
0604312N	114	TRI-SERVICE STANDOFF ATTACK MISSILE	14,943	14,943	14,943		14,943
0604329N	115	SMALL DIAMETER BOMB (SDB)	1,989	1,989	1,989		1,989
0604366N	116	STANDARD MISSILE IMPROVEMENTS	16,288	16,288	21,288		16,288
		Advanced optical correlator			[5,000]		
0604373N	117	AIRBORNE MCM	67,240	67,240	67,240		67,240
0604503N	118	SSN-688 AND TRIDENT MODERNIZATION	98,516	139,516	98,516	23,500	122,016
		Affordable towed array construction		[16,000]		[1,000]	
		Acoustic rapid commercial, off-the-shelf (COTS) technology insertion		[25,000]		[22,500]	
0604504N	119	AIR CONTROL	4,951	4,951	4,951		4,951
0604507N	120	ENHANCED MODULAR SIGNAL PROCESSOR	513	513	513		513

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0604512N	121	SHIPBOARD AVIATION SYSTEMS	24,619	32,819	33,119	4,000	28,619
		Aviation-shipboard information technology initiative		[8,200]	[8,500]	[4,000]	
0604518N	122	COMBAT INFORMATION CENTER CONVERSION					
0604524N	123	SUBMARINE COMBAT SYSTEM					
0604558N	124	NEW DESIGN SSN	238,253	238,253	238,253		238,253
0604561N	125	SSN-21 DEVELOPMENTS	3,981	3,981	3,981		3,981
0604562N	126	SUBMARINE TACTICAL WARFARE SYSTEM	13,975	28,275	28,475	14,500	28,475
		Submarine tactical warfare system		[14,300]			
		Upgrade combat control software to commercial architecture			[14,500]	[14,500]	
0604567N	127	SHIP CONTRACT DESIGN/LIVE FIRE T&E	184,545	184,545	192,645	8,100	192,645
		Unexplained increases in manpower & training studies			[-1,900]	[-1,900]	
		LHA[R] -- Transfer from LHD-1 AP (SCN 15)			[10,000]	[10,000]	
0604574N	128	NAVY TACTICAL COMPUTER RESOURCES	2,185	2,185	2,185		2,185
0604601N	129	MINE DEVELOPMENT	1,491	1,491	1,491		1,491
0604603N	130	UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPONS	12,142	12,142	12,142		12,142
0604610N	131	LIGHTWEIGHT TORPEDO DEVELOPMENT	7,769	7,769	13,269	5,000	12,769
		Align lightweight & heavyweight torpedo baselines for commonality			[5,500]	[5,000]	
0604618N	132	JOINT DIRECT ATTACK MUNITION	48,861	48,861	48,861		48,861
0604654N	133	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	7,781	7,781	7,781		7,781
0604703N	134	PERSONNEL, TRAINING, SIMULATION, AND HUMAN FACTORS	1,331	1,331	1,331		1,331

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0604710N	135	NAVY ENERGY PROGRAM	5,691	5,691	8,191	2,500	8,191
		Continue ongoing demonstration of renewable energy use			[2,500]		
		Photovoltaic energy park				[2,500]	
0604721N	136	BATTLE GROUP PASSIVE HORIZON EXTENSION SYSTEM	14,070	14,070	19,070	5,000	19,070
		Cooperative Outboard logistics update (COBLU) digital upgrade			[5,000]	[5,000]	
0604727N	137	JOINT STANDOFF WEAPON SYSTEMS	16,652	16,652	16,652		16,652
0604755N	138	SHIP SELF DEFENSE (DETECT CONTROL)	61,966	61,966	66,966		61,966
		Continue SEARAM ordnance alteration development			[5,000]		
0604756N	139	SHIP SELF DEFENSE (ENGAGE: HARD KILL)	19,528	19,528	19,528	5,000	24,528
		Continue SEARAM ordnance alteration development				[5,000]	
0604757N	140	SHIP SELF DEFENSE (ENGAGE: SOFT KILL/EW)	28,064	29,664	39,909	11,845	39,909
		Ship self defense electronic warfare improvements		[-25,900]			
		AIEWS cancellation - shift to other EW improvements			[-25,855]	[-25,855]	
		AN / SLQ-32 shipboard electronic warfare system		[27,500]			
		Shipboard electronic warfare improvement			[27,500]	[27,500]	
		NULKA decoy improvements			[9,200]	[9,200]	
		Radar tiles for reduced surface ship signatures			[1,000]	[1,000]	
0604771N	141	MEDICAL DEVELOPMENT	7,154	10,254	8,079	925	8,079
		Real-time medical threat detection system		[3,100]			
		Security equipment for medical labs (Transfer from DERF)			[475]	[475]	
		Site improvement for medical labs (Transfer from DERF)			[450]	[450]	

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0604777N	142	NAVIGATION/ID SYSTEM	46,618	46,618	46,618		46,618
0604784N	143	DISTRIBUTED SURVEILLANCE SYSTEM	35,861	51,861	35,861	4,000	39,861
		Advanced deployable system - off-board sensor		[4,000]		[4,000]	
		Advanced deployable system - burial capability		[6,000]			
		Remotely powered, all optical array		[6,000]			
0604800N	144	JOINT STRIKE FIGHTER (JSF) - EMD	1,727,500	1,727,500	1,727,500		1,727,500
0604910N	145	SMART CARD	711	711	711		711
0605013M	146	INFORMATION TECHNOLOGY DEVELOPMENT	8,079	8,079	8,079		8,079
0605013N	147	INFORMATION TECHNOLOGY DEVELOPMENT	43,213	48,213	50,213	12,000	55,213
		Naval collaboration tool set		[5,000]		[5,000]	
		Human resource enterprise strategy			[7,000]	[7,000]	
0605014N	148	DEFENSE INTEGRATED MILITARY HUMAN RESOURCES SYSTEM	51,297	51,297	51,297		51,297
0605015N	149	JOINT COUNTER-INTELLIGENCE ASSESSMENT GROUP (JCAG) - RDT&E	2,337	2,337	2,337		2,337
0605500N	150	MULTI-MISSION MARITIME AIRCRAFT (MMA)	74,531	74,531	74,531		74,531
0508713N	151	NAVY STANDARD INTEGRATED PERSONNEL SYSTEM (NSIPS)	12,798	12,798	12,798		12,798
	151a	EMD Test and Evaluation transfer			-32,000		
0604256N	152	THREAT SIMULATOR DEVELOPMENT	30,599	30,599	30,599		30,599
0604258N	153	TARGET SYSTEMS DEVELOPMENT	45,562	45,562	45,562		45,562
0604759N	154	MAJOR T&E INVESTMENT	42,453	42,453	106,453		42,453
		Transfer from acquisition programs			[64,000]		

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0605152N	155	STUDIES AND ANALYSIS SUPPORT - NAVY	4,071	4,071	4,071		4,071
0605154N	156	CENTER FOR NAVAL ANALYSES	45,435	45,435	40,435		45,435
		Navy reports, studies, & analyses			[-5,000]		
0605155N	157	FLEET TACTICAL DEVELOPMENT	2,771	2,771	2,771		2,771
0605502N	158	SMALL BUSINESS INNOVATIVE RESEARCH					
0605804N	159	TECHNICAL INFORMATION SERVICES	929	6,929	929		929
		Supply chain best practices		[6,000]			
0605853N	160	MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT	50,787	50,787	52,787	2,000	52,787
		Combating terrorism wargaming & research			[2,000]	[2,000]	
0605856N	161	STRATEGIC TECHNICAL SUPPORT	2,340	2,340	2,340		2,340
0605861N	162	RDT&E SCIENCE AND TECHNOLOGY MANAGEMENT	59,447	59,447	59,447		59,447
0605862N	163	RDT&E INSTRUMENTATION MODERNIZATION	13,289	13,289	13,289		13,289
0605863N	164	RDT&E SHIP AND AIRCRAFT SUPPORT	71,519	71,519	71,519		71,519
0605864N	165	TEST AND EVALUATION SUPPORT	278,838	278,838	278,838		278,838
0605865N	166	OPERATIONAL TEST AND EVALUATION CAPABILITY	12,642	12,642	12,642		12,642
0605866N	167	NAVY SPACE AND ELECTRONIC WARFARE (SEW) SUPPORT	3,242	3,242	3,242		3,242
0605867N	168	SEW SURVEILLANCE/RECONNAISSANCE SUPPORT	12,120	12,120	12,120		12,120
0605873M	169	MARINE CORPS PROGRAM WIDE SUPPORT	12,208	15,208	12,208	3,000	15,208
		Chemical agent warning network demonstration		[3,000]		[3,000]	
0305885N	170	TACTICAL CRYPTOLOGIC ACTIVITIES					
0909998N	171	PROBLEM DISBURSEMENTS					

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0909999N	172	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS					
	172a	Medical Force Protection		925			
		Security equipment for medical labs (Transfer from DERF)		[475]			
		Site improvement for medical labs (Transfer from DERF)		[450]			
0603660N	173	ADVANCED DEVELOPMENT PROJECTS	[ ]	[ ]	[ ]	[ ]	[ ]
0603661N	174	RETRACT VIOLET	[ ]	[ ]	[ ]	[ ]	[ ]
0604805N	175	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE					
0101221N	176	STRATEGIC SUB & WEAPONS SYSTEM SUPPORT	40,278	110,178	110,178	69,900	110,178
		Maneuvering reentry vehicle demonstration (Transfer from DERF)		[30,000]	[30,000]	[30,000]	
		Solid rocket motor static test fire demonstrations (Transfer from DERF)		[7,500]	[7,500]	[7,500]	
		Guidance applications program (Transfer from DERF)		[14,400]	[14,400]	[14,400]	
		Radiation hardening program (Transfer from DERF)		[18,000]	[18,000]	[18,000]	
0101224N	177	SSBN SECURITY TECHNOLOGY PROGRAM	34,567	34,567	34,567		34,567
0101226N	178	SUBMARINE ACOUSTIC WARFARE DEVELOPMENT	1,091	1,091	1,091		1,091
0101402N	179	NAVY STRATEGIC COMMUNICATIONS	21,452	21,452	21,452		21,452
0204136N	180	F/A-18 SQUADRONS	204,466	204,466	219,466	10,000	214,466
		F414 engine durability improvements			[15,000]	[10,000]	
0204152N	181	E-2 SQUADRONS	19,011	19,011	19,011		19,011
0204163N	182	FLEET TELECOMMUNICATIONS (TACTICAL)	12,576	12,576	12,576		12,576
0204229N	183	TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER	94,265	94,265	99,265	5,000	99,265
		Precision terrain aided navigation			[5,000]	[5,000]	

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0204311N	184	INTEGRATED SURVEILLANCE SYSTEM	20,405	20,405	20,405		20,405
0204413N	185	AMPHIBIOUS TACTICAL SUPPORT UNITS	6,352	6,352	6,352		6,352
0204571N	186	CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	31,421	41,421	31,421	4,000	35,421
		Antisubmarine warfare synthetic training environment		[10,000]		[4,000]	
0204575N	187	ELECTRONIC WARFARE (EW) READINESS SUPPORT	6,731	35,731	37,731	29,000	35,731
		Virtual environment for warfighter (VIEW)			[2,000]		
		Retract Barley (Transfer from DERF)		[20,000]	[20,000]	[20,000]	
		Information warfare system (Transfer from DERF)		[9,000]	[9,000]	[9,000]	
0205601N	188	HARM IMPROVEMENT	60,758	62,258	60,758	1,000	61,758
		Advanced composite radome materials		[1,500]		[1,000]	
0205604N	189	TACTICAL DATA LINKS	42,667	42,667	42,667		42,667
0205620N	190	SURFACE ASW COMBAT SYSTEM INTEGRATION	24,424	24,424	24,424		24,424
0205632N	191	MK-48 ADCAP	22,052	22,052	22,052		22,052
0205633N	192	AVIATION IMPROVEMENTS	40,915	40,915	40,915		40,915
0205658N	193	NAVY SCIENCE ASSISTANCE PROGRAM	4,801	4,801	4,801		4,801
0205667N	194	F-14 UPGRADE					
0205675N	195	OPERATIONAL NUCLEAR POWER SYSTEMS	56,804	56,804	56,804		56,804

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0206313M	196	MARINE CORPS COMMUNICATIONS SYSTEMS	174,664	197,464	187,464	17,800	192,464
		Technical control & analysis center (TCAC) (Transfer from DERF)		[2,500]	[2,500]	[2,500]	
		MANPACK secondary imagery dissem sys (SIDS) (Transfer from DERF)		[300]	[300]	[300]	
		Team portable collection system (TPCS) (Transfer from DERF)		[3,400]	[3,400]	[3,400]	
		I-SURSS (Transfer from DERF)		[2,500]	[2,500]	[2,500]	
		Radio reconnaissance equipment program (RREP) (Transfer from DERF)		[300]	[300]	[300]	
		COTS hardware / software for TENCAP (Transfer from DERF)		[1,500]	[1,500]	[1,500]	
		Tactical exploitation group (TEG) (Transfer from DERF)		[1,000]	[1,000]	[1,000]	
		ISR spares & software updates (Transfer from DERF)		[1,200]	[1,200]	[1,200]	
		Tactical photography equipment (Transfer from DERF)		[100]	[100]	[100]	
		Marine Corps stationary lighter-than-air platform (MCSLaP)		[5,000]			
		Hawk AN / TPS-59 radar service life extension program - automatic false alarm reduction		[5,000]		[5,000]	
0206623M	197	MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS	36,004	38,654	37,904	1,900	37,904
		Target location designation & hand-off system (TLDHS)		[1,900]	[1,900]	[1,900]	
		Sniper rifle improvements		[750]			
0206624M	198	MARINE CORPS COMBAT SERVICES SUPPORT	21,041	21,041	21,041		21,041
0207161N	199	TACTICAL AIM MISSILES	1,957	1,957	1,957		1,957
0207163N	200	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	8,124	8,124	8,124		8,124
0301303N	201	MARITIME INTELLIGENCE	[ ]	[ ]	[ ]	[ ]	[ ]
0301303N	202	COLLECTION MANAGEMENT	[ ]	[ ]	[ ]	[ ]	[ ]

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(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0303109N	203	TECHNICAL RECONNAISSANCE AND SURVEILLANCE	[ ]	[ ]	[ ]	[ ]	[ ]
0303109N	204	SATELLITE COMMUNICATIONS (SPACE)	115,903	115,903	115,903		115,903
0303140N	205	INFORMATION SYSTEMS SECURITY PROGRAM	18,436	18,436	18,436		18,436
0304111N	206	SPECIAL ACTIVITIES	[ ]	[ ]	[ ]	[ ]	[ ]
0305160N	207	NAVY METEOROLOGICAL AND OCEAN SENSORS-SPACE (METOC)	19,801	19,801	19,801		19,801
0305188N	208	JOINT C4ISR BATTLE CENTER (JBC)	21,970	21,970	26,970	4,000	25,970
		Strategic interoperability initiative			[5,000]	[4,000]	
0305192N	209	JOINT MILITARY INTELLIGENCE PROGRAMS	6,709	6,709	6,709		6,709
0305204N	210	TACTICAL UNMANNED AERIAL VEHICLES	206,359	205,059	251,659	37,800	244,159
		Develop USMC Shadow (Adv) (Transfer from DERF)		[7,000]	[7,000]	[7,000]	
		ISR (BAMS UAV) / classified (Transfer from DERF)		[28,300]	[28,300]	[28,300]	
		Navy tactical unmanned aerial vehicle		[-43,600]			
		VTOL UAV operational testing				[-9,000]	
		Joint operational test bed		[7,000]		[7,000]	
		Integrate Global Hawk into tactical control system (TCS)			[10,000]	[4,500]	
0305206N	211	AIRBORNE RECONNAISSANCE SYSTEMS	5,469	11,469	5,469	6,000	11,469
		Electro-optical framing sensor		[6,000]		[6,000]	
0305207N	212	MANNED RECONNAISSANCE SYSTEMS	11,166	11,166	11,166		11,166
0305208N	213	DISTRIBUTED COMMON GROUND SYSTEMS	4,482	7,482	7,482	3,000	7,482
		Joint service imagery processing system development (Transfer from DERF)		[3,000]	[3,000]	[3,000]	

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(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0305927N	214	NAVAL SPACE SURVEILLANCE	9,548	9,548	9,548		9,548
0308601N	215	MODELING AND SIMULATION SUPPORT	7,783	7,783	12,483	3,000	10,783
		Modeling & simulation initiatives for interoperability			[4,700]	[3,000]	
0702207N	216	DEPOT MAINTENANCE (NON-IF)	7,119	7,119	7,119		7,119
0708011N	217	INDUSTRIAL PREPAREDNESS	70,631	70,631	70,631		70,631
0708730N	218	MARITIME TECHNOLOGY (MARITECH)	9,943	9,943	13,943		9,943
		Maritime technology research			[4,000]		
	999	CLASSIFIED PROGRAMS	1,178,723	1,178,723	1,178,723	102,000	1,280,723
	218a	Civilian personnel accounting adjustment		-5,565	-5,565	-5,565	-5,565
	218b	Financial management savings			-25,600	-25,600	-25,600
	218c	Contract services savings			-6,900	-4,871	-4,871
	218d	Operational systems development T&E transfer			-17,000		
	218f	General reduction			-8,500		
		Total, RDT&E Navy	**12,501,630**	**13,274,540**	**12,913,135**	**742,534**	**13,244,164**

Marine mammal research

The budget request included $393.6 million in PE 61153N for basic research to support naval applications.

The House bill would authorize an increase of $2.1 million to the budget request for marine mammal research.

The Senate amendment would authorize an increase of $2.0 million to the budget request.

The conferees recommend an increase of $2.0 million for basic research on marine mammals. The conferees support research on marine mammal behavior that can help address heightened public concern about the effects of military and industrial activity on these animals, including additional behavioral and acoustics research and efforts to detect the presence of marine mammals and take mitigating action to protect animals as necessary.

Littoral support craft—experimental

The budget request contained $57.6 million in PE 63123N for force protection advanced technology development but included no funds to continue the development of the Littoral Support Craft—Experimental (LSC–X). The Office of Naval Research has proposed to conduct a phased program to develop and demonstrate an experimental littoral support craft demonstrator that would provide the basis for operational experiments on the contribution that such a craft could make to naval operations in the littorals, and $36.2 million for this purpose was provided in fiscal year 2002.

The House bill would authorize an additional $13.7 million to continue development of the LSC–X.

The Senate amendment included no similar recommendation.

The statement of managers (H. Rept. 107–333) accompanying the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) directed the Secretary of the Navy to identify the set of experimental objectives that the LSC–X program is intended to explore and the objective measures of effectiveness that will be used to determine whether those objectives have been achieved. The conferees also directed the Secretary to define the program plan, the schedule, and the funding requirements for development of LSC–X.

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. The report addresses the experimental concepts to be explored by naval forces in a phased plan that culminates in the use of the craft to test new technology and operational concepts which could be candidates for future support of expeditionary and littoral operations. The report stated that no additional funding would be required to build, outfit, and test the LSC–X prototype hull, beyond those funds already provided in fiscal year 2002.

According to the Navy's plan, the vessel should be ready for initial sea trials in the summer of 2004. The conferees also note the views expressed in the House report (H. Rept. 107–33) that a littoral support craft demonstrator such as the LSC–X design, which would include a modular payload capability that allows the use of different technology demonstrators and warfare mission modules, could be an effective experimental test bed for many of the technologies that might be chosen for use on a littoral combat ship

(LCS). Elsewhere in this report, the conferees have directed the Secretary of the Navy to address the role that various demonstration platforms such as the LSC–X will play in the LCS acquisition strategy.

The conferees direct 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 LCS program. To that end, the conferees direct the Navy to include in the phase one "design and build" portion of the program the total system interface definitions that will be required to demonstrate systems and technologies planned for the phase three "technology and operational concept evaluation" segment of the LSC–X program.

The conferees also believe that the Navy should accelerate phase three to ensure that information required for application to a littoral combat ship program will be available before the Navy requests funds to design such a ship. The conferees recognize that this may require a combination of science and technology and system development and demonstration funding.

Therefore, the conferees agree to an increase of $13.0 million in PE 63123N to continue development of the LSC–X demonstrator. The conferees also direct the Secretary to update his report on the development plan and identify any funding required for the LSC–X program. The Secretary should submit that updated report with the budget request for fiscal year 2004.

AIR FORCE

Research, Development, Test and Evaluation, Air Force—Overview

The budget request for fiscal year 2003 included an authorization of $17,601.2 million for Research, Development, Test and Evaluation, Air Force in the Department of Defense.

The House bill would authorize $18,803.2 million.

The Senate amendment would authorize $18,611.2 million.

The conferees recommend an authorization of $18,337.1 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, AIR FORCE					
0601102F	1	DEFENSE RESEARCH SCIENCES	219,144	224,144	219,144		219,144
		Upper atmospheric & astronomical training		[5,000]			
0602102F	2	MATERIALS	75,272	85,972	89,772	18,000	93,272
		Metals affordability initiative		[4,000]	[3,000]	[4,000]	
		Thermal management for space structures		[3,200]		[2,500]	
		Advanced thermal protection systems		[3,500]			
		Free electron laser materials processing			[3,000]	[3,000]	
		Nanostructured protective coatings			[2,000]	[2,000]	
		Hybrid coatings for aircraft systems			[3,000]	[3,000]	
		Composite materials for UAVs			[2,500]	[2,500]	
		Closed cell foam material technology			[1,000]	[1,000]	
0602201F	3	AEROSPACE VEHICLE TECHNOLOGIES	78,789	79,789	78,789		78,789
		Space technology		[1,000]			
0602202F	4	HUMAN EFFECTIVENESS APPLIED RESEARCH	66,000	66,000	66,000		66,000
0602203F	5	AEROSPACE PROPULSION	107,659	125,359	109,659	18,700	126,359
		Solid rocket propulsion aging & surveillance program (Transfer from DERF)		[5,700]		[5,700]	
		Pulse detonation engine		[6,000]		[6,000]	
		Lithium ion batteries		[6,000]	[2,000]	[6,000]	
		Space technology				[1,000]	

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(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0602204F	6	AEROSPACE SENSORS	75,799	75,799	78,799	1,000	76,799
		Wireless ISR technology			[3,000]	[1,000]	
0602500F	7	MULTI-DISCIPLINARY SPACE TECHNOLOGY	53,592	101,592	53,592	47,000	100,592
		Space-based GMTI & AMTI capability (Transfer from DERF)		[43,000]	[43,000]	[43,000]	
		Space-based radar not S&T - Transfer to PE 63858F (RDAF 57)			[-43,000]		
		Integrated high payoff rocket propulsion technology (IHPRPT)		[5,000]		[4,000]	
		Engineering tool improvement program					
0602601F	8	SPACE TECHNOLOGY	58,582	58,582	66,582	8,000	66,582
		Microsatellite cluster technology			[3,000]	[3,000]	
		Lightweight structures for space			[1,000]	[1,000]	
		Integrated control for autonomous space systems			[2,000]	[2,000]	
		Silicon substrates flexible solar cells			[2,000]	[2,000]	
0602602F	9	CONVENTIONAL MUNITIONS	60,343	60,343	60,343		60,343
0602605F	10	DIRECTED ENERGY TECHNOLOGY	39,936	42,186	39,936		39,936
		Vacuum pump		[2,250]			
0602702F	11	COMMAND CONTROL AND COMMUNICATIONS	70,951	70,951	78,951	3,000	73,951
		Information protection & authentication			[3,000]	[3,000]	
		Cyber security R&D			[5,000]		
0602805F	12	DUAL USE SCIENCE AND TECHNOLOGY PROGRAM	10,626	10,626	10,626		10,626
0603106F	13	LOGISTICS SYSTEMS TECHNOLOGY					

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(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603112F	14	ADVANCED MATERIALS FOR WEAPON SYSTEMS	21,138	29,138	21,138	6,500	27,638
		Metals affordability initiative		[5,000]		[3,500]	
		Ceramic matrix composites		[3,000]		[3,000]	
0603202F	15	AEROSPACE PROPULSION SUBSYSTEMS INTEGRATION					
0603203F	16	ADVANCED AEROSPACE SENSORS	50,589	50,589	50,589		50,589
0603205F	17	FLIGHT VEHICLE TECHNOLOGY					
0603211F	18	AEROSPACE TECHNOLOGY DEV/DEMO	22,315	26,315	26,315	4,000	26,315
		Advanced aluminum aerostructures		[4,000]	[4,000]	[4,000]	
0603216F	19	AEROSPACE PROPULSION AND POWER TECHNOLOGY	85,650	93,050	85,650	4,400	90,050
		Solid rocket propulsion aging & surveillance program (Transfer from DERF)		[4,400]		[4,400]	
		Thrust vector control & infrared signature reduction		[3,000]			
0603227F	20	PERSONNEL, TRAINING AND SIMULATION TECHNOLOGY					
0603231F	21	CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY	29,690	29,690	33,690	3,500	33,190
		Logistics technologies			[1,500]	[1,000]	
		Total atmospheric liquefaction system (TALON)			[2,500]	[2,500]	
0603245F	22	FLIGHT VEHICLE TECHNOLOGY INTEGRATION					
0603253F	23	ADVANCED SENSOR INTEGRATION					
0603270F	24	ELECTRONIC COMBAT TECHNOLOGY	23,350	23,350	27,350	1,000	24,350
		Test detect & avoid (DAA) technology for FAA approval			[4,000]	[1,000]	
0603302F	25	SPACE AND MISSILE ROCKET PROPULSION					

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(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603311F	26	BALLISTIC MISSILE TECHNOLOGY		5,900	4,900	4,900	4,900
		Improved guidance, navigation & controls (Transfer from DERF)		[4,900]	[4,900]	[4,900]	
		Space technology		[1,000]			
0603333F	27	UNMANNED AIR VEHICLE DEV/DEMO	18,000	18,000	18,000		18,000
0603401F	28	ADVANCED SPACECRAFT TECHNOLOGY	42,315	50,815	52,315	10,000	52,315
		Streaker small launch vehicle		[5,000]			
		Scorpius		[3,500]			
		Thin film amorphous solar arrays			[10,000]	[10,000]	
0603410F	29	SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS					
0603436F	30	TRANSFORMATIONAL WIDEBAND MILSATCOM	195,000	195,000		-195,000	
		Engineering-level pre-acquisition effort premature			[-80,000]	[-80,000]	
		Transfer to advanced wideband system (AWS) - PE 63845F (RDAF 52)			[-115,000]	[-115,000]	
0603444F	31	MAUI SPACE SURVEILLANCE SYSTEM (MSSS)	6,472	11,472	6,472	4,000	10,472
		High-accuracy network determination system (HANDS)		[5,000]		[4,000]	
0603500F	32	MULTI-DISCIPLINARY ADVANCED DEVELOPMENT SPACE	50,538	50,538	56,538	6,000	56,538
		Aerospace relay mirror system demonstration			[6,000]	[6,000]	
0603601F	33	CONVENTIONAL WEAPONS TECHNOLOGY	38,001	38,001	45,001	7,000	45,001
		Low cost autonomous attack system (LOCAAS)			[7,000]	[7,000]	
0603605F	34	ADVANCED WEAPONS TECHNOLOGY	28,271	28,271	28,271		28,271
0603723F	35	ENVIRONMENTAL ENGINEERING TECHNOLOGY		3,000		2,500	2,500
		Texas Regional Institute for Environmental Studies (TRIES)		[3,000]		[2,500]	

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(Dollars in Thousands)

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0603726F	36	AEROSPACE INFO TECH SYS INTEGRATION					
0603789F	37	C3I ADVANCED DEVELOPMENT	34,288	42,588	34,288	8,300	42,588
		Intrusion defenses & system security tools development		[4,000]		[4,000]	
		Time-critical target identification programs acceleration		[4,300]		[4,300]	
0603801F	38	SPECIAL PROGRAMS	97,300	97,300	97,300		97,300
0603876F	39	SPACE-BASED LASER					
0603260F	40	INTELLIGENCE ADVANCED DEVELOPMENT	4,545	5,545	4,545		4,545
		Super wideband compressive receiver		[1,000]			
0603319F	41	AIRBORNE LASER PROGRAM					
0603421F	42	NAVSTAR GLOBAL POSITIONING SYSTEM III	100,217	100,217	100,217	-14,200	86,017
		Programs delays / execution				[-14,200]	
0603430F	43	ADVANCED EHF MILSATCOM (SPACE)	825,783	844,783	844,783	19,000	844,783
		Radiation hardening program (Transfer from DERF)		[19,000]	[19,000]	[19,000]	
0603432F	44	POLAR MILSATCOM (SPACE)	19,554	19,554	19,554		19,554
0603434F	45	NATIONAL POLAR-ORBITING OPERATIONAL ENVIRONMENTAL SATELLITE SYS (SPACE)	237,199	237,199	237,199		237,199
0603438F	46	SPACE CONTROL TECHNOLOGY	13,814	13,814	13,814		13,814
0603617F	47	COMMAND, CONTROL, AND COMMUNICATION APPLICATIONS					
0603742F	48	COMBAT IDENTIFICATION TECHNOLOGY	12,434	12,434	12,434		12,434
0603790F	49	NATO RESEARCH AND DEVELOPMENT	4,355	4,355	4,355		4,355

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0603791F	50	INTERNATIONAL SPACE COOPERATIVE R&D	643	643	643		643
0603800F	51	JOINT STRIKE FIGHTER					
0603845F	52	ADVANCED WIDEBAND SYSTEM (AWS)	4,982	4,982	119,982	115,000	119,982
		Transfer from PE 63436F (RDAF 30) -- not S&T activity			[115,000]	[115,000]	
0603850F	53	INTEGRATED BROADCAST SERVICE (DEM/VAL)	19,870	39,070	39,070	19,200	39,070
		IBS smart pull technology (Transfer from DERF)		[6,600]	[6,600]	[6,600]	
		Fully fund IBS R&D shortfalls (Transfer from DERF)		[12,600]	[12,600]	[12,600]	
0603851F	54	INTERCONTINENTAL BALLISTIC MISSILE - DEM/VAL	63,025	70,525	70,525	7,500	70,525
		Solid rocket motor static test fire demonstrations (Transfer from DERF)		[7,500]	[7,500]	[7,500]	
0603854F	55	WIDEBAND GAPFILLER SYSTEM RDT&E (SPACE)	20,009	20,009	20,009		20,009
0603856F	56	AIR FORCE/NATIONAL PROGRAM COOPERATION (AFNPC)	8,829	2,829	8,829		8,829
		Air Force / national systems cooperation		[-6,000]			
0603858F	57	SPACE-BASED RADAR DEM/VAL	47,859	47,859	90,859		47,859
		Space-based radar not S&T - Transfer from PE 62500F (RDAF 7)			[43,000]		
0603859F	58	POLLUTION PREVENTION (DEM/VAL)	2,743	2,743	2,743		2,743
0603860F	59	JOINT PRECISION APPROACH AND LANDING SYSTEMS - DEM/VAL	13,267	13,267	13,267		13,267
0604327F	60	HARD AND DEEPLY BURIED TARGET DEFEAT SYSTEM (HDBTDS) PROGRAM	7,482	7,482	7,482		7,482
0305149F	61	COBRA JUDY (H)	51,000	51,000	51,000		51,000
	61a	Dem/val Test and Evaluation transfer			-9,000		
0603840F	62	GLOBAL BROADCAST SERVICE (GBS)	22,589	22,589	22,589		22,589

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(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0604012F	63	JOINT HELMET MOUNTED CUEING SYSTEM (JHMCS)	1,859	1,859	1,859		1,859
0604222F	64	NUCLEAR WEAPONS SUPPORT	13,627	13,627	13,627		13,627
0604226F	65	B-1B	160,688	160,688	160,688		160,688
0604227F	66	DISTRIBUTED MISSION TRAINING (DMT)					
0604233F	67	SPECIALIZED UNDERGRADUATE PILOT TRAINING	1,909	1,909	1,909		1,909
0604239F	68	F-22 EMD	627,266	627,266	627,266		627,266
0604240F	69	B-2 ADVANCED TECHNOLOGY BOMBER	225,327	292,327	258,327	40,000	265,327
		Transfer to B-2 procurement -- APAF 24			[-25,200]	[-25,200]	
		LO maintenance improvements		[17,000]	[10,000]	[17,000]	
		Unexecutable programs			[-1,800]	[-1,800]	
		B-2 radar frequency change (Transfer from DERF)		[50,000]	[50,000]	[50,000]	
0604251F	70	SPACE-BASED RADAR EMD					
0604270F	71	EW DEVELOPMENT	65,082	84,982	79,782	6,000	71,082
		Precision location & identification (PLAID)		[14,700]	[14,700]	[14,700]	
		Comet infrared countermeasures system		[5,200]			
		IDECM: fiber towed decoy				[-8,700]	
0604280F	72	JOINT TACTICAL RADIO	17,358	17,358	17,358		17,358
0604329F	73	SMALL DIAMETER BOMB (SDB) EMD	54,368	54,368	54,368		54,368
0604421F	74	COUNTERSPACE SYSTEMS	40,053	40,053	40,053		40,053

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0604441F	75	SPACE BASED INFRARED SYSTEM (SBIRS) HIGH EMD	814,927	814,927	714,927	-40,000	774,927
		Restructured program with FY 07 first launch			[-100,000]		
		Restructured program				[-40,000]	
0604442F	76	SPACE BASED INFRARED SYSTEM (SBIRS) LOW EMD					
0604479F	77	MILSTAR LDR/MDR SATELLITE COMMUNICATIONS (SPACE)	148,936	157,036	148,936	8,000	156,936
		Joint integrated satellite communications technology		[8,100]		[8,000]	
0604600F	77a	Munitions Dispenser Development		16,200		7,000	7,000
		Wind corrected munitions dispenser - extended range (WCMD-ER)		[16,200]		[7,000]	
0604602F	78	ARMAMENT/ORDNANCE DEVELOPMENT	9,160	9,160	9,160		9,160
0604604F	79	SUBMUNITIONS	4,739	4,739	4,739		4,739
0604617F	80	AGILE COMBAT SUPPORT	6,318	6,318	14,818	2,500	8,818
		Deployable oxygen systems			[2,500]	[2,500]	
		Integrated medical information technology systems (IMITS)			[6,000]		
0604618F	81	JOINT DIRECT ATTACK MUNITION	16,594	16,594	16,594		16,594
0604703F	82	AEROMEDICAL/CHEMICAL DEFENSE SYSTEMS					
0604706F	83	LIFE SUPPORT SYSTEMS	925	8,025	7,425	10,500	11,425
		Advanced concept ejection seat (ACES II) improvement		[7,100]		[4,000]	
		Fixed aircrew standardized seats (FASS)			[2,500]	[2,500]	
		Aircrew rescue signaling systems			[4,000]	[4,000]	
0604727F	84	JOINT STANDOFF WEAPONS SYSTEMS					
0604731F	85	UNMANNED COMBAT AIR VEHICLE (UCAV)	40,000	40,000	40,000		40,000

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(Dollars in Thousands)

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0604735F	86	COMBAT TRAINING RANGES	13,524	16,524	13,524	3,000	16,524
		Air combat training ranges		[3,000]		[3,000]	
0604740F	87	INTEGRATED COMMAND & CONTROL APPLICATIONS (IC2A)	226	226	226		226
0604750F	88	INTELLIGENCE EQUIPMENT	1,326	1,326	1,326		1,326
0604754F	89	TACTICAL DATA LINK INFRASTRUCTURE					
0604762F	90	COMMON LOW OBSERVABLES VERIFICATION SYSTEM	4,781	4,781	17,781		4,781
		Restructure EMD program to support FY 04 IOC			[13,000]		
0604779F	91	TACTICAL DATA LINK INTEROPERABILITY					
0604800F	92	JOINT STRIKE FIGHTER EMD	1,743,668	1,743,668	1,743,668		1,743,668
0604805F	93	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE					
0604851F	94	INTERCONTINENTAL BALLISTIC MISSILE - EMD	133,291	133,291	133,291		133,291
0604853F	95	EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM (SPACE) - EMD	57,562	57,562	57,562		57,562
0605011F	96	RDT&E FOR AGING AIRCRAFT	19,871	34,871	19,871	10,000	29,871
		Aging landing gear life extension program		[15,000]		[10,000]	
0605306F	97	RANCH HAND II EPIDEMIOLOGY STUDY					
0207249F	98	PRECISION ATTACK SYSTEMS PROCUREMENT					
0207434F	99	LINK-16 SUPPORT AND SUSTAINMENT	44,146	44,146	44,146		44,146
0207701F	100	FULL COMBAT MISSION TRAINING	3,731	3,731	3,731		3,731
0305176F	101	COMBAT SURVIVOR EVADER LOCATOR	14,274	14,274	14,274		14,274
0401318F	102	CV-22	11,449	11,449	11,449		11,449

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	102a	EMD Test and Evaluation transfer			-27,000		
0604256F	103	THREAT SIMULATOR DEVELOPMENT	30,351	30,351	30,351		30,351
0604759F	104	MAJOR T&E INVESTMENT	46,338	53,338	145,838	7,500	53,838
		Laser induced surface improvement technology		[3,000]		[1,000]	
		Electronic countermeasures upgrades for generic radar target generator		[4,000]		[4,000]	
		Transfer from acquisition programs			[96,000]	[0]	
		Maglev upgrade program			[2,500]	[2,500]	
		Joint directed energy combat operations & employment			[1,000]		
0605101F	105	RAND PROJECT AIR FORCE	25,462	25,462	20,462		25,462
		Air Force reports, studies, & analyses			[-5,000]		
0605306F	106	RANCH HAND II EPIDEMIOLOGY STUDY	11,029	11,029	11,029		11,029
0605502F	107	SMALL BUSINESS INNOVATION RESEARCH					
0605712F	108	INITIAL OPERATIONAL TEST & EVALUATION	27,070	27,070	27,070		27,070
0605807F	109	TEST AND EVALUATION SUPPORT	398,266	398,266	398,266		398,266
0605860F	110	ROCKET SYSTEMS LAUNCH PROGRAM (SPACE)	16,237	27,237	16,237	4,000	20,237
		Missile technology demonstration 3b (MTD-3b)		[11,000]		[4,000]	
0605864F	111	SPACE TEST PROGRAM (STP)	49,882	49,882	49,882		49,882
0804731F	112	GENERAL SKILL TRAINING	313	313	313		313
0909900F	113	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS					
0909980F	114	JUDGMENT FUND REIMBURSEMENT	20,000	20,000	20,000		20,000
1001004F	115	INTERNATIONAL ACTIVITIES	3,878	3,878	3,878		3,878

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0605024F	116	ANTI-TAMPER TECHNOLOGY EXECUTIVE AGENCY	8,000	8,000	8,000		8,000
0101113F	117	B-52 SQUADRONS	55,794	55,794	55,794		55,794
0101120F	118	ADVANCED CRUISE MISSILE	2,788	2,788	2,788		2,788
0101122F	119	AIR-LAUNCHED CRUISE MISSILE (ALCM)	26,713	26,713	26,713		26,713
0101313F	120	STRAT WAR PLANNING SYSTEM - USSTRATCOM	1,895	1,895	1,895		1,895
0101815F	121	ADVANCED STRATEGIC PROGRAMS	5,879	5,879	5,879		5,879
0102326F	122	REGION/SECTOR OPERATION CONTROL CENTER	35,000	35,000	35,000		35,000
0203761F	123	WARFIGHTER RAPID ACQUISITION PROCESS (WRAP) RAPID TRANSITION FUND	25,057	25,057	25,057		25,057
0207027F	124	AC2ISR CENTER		5,000			
		Rapid attack support system - transition to production		[5,000]			
0207028F	125	JOINT EXPEDITIONARY FORCE EXPERIMENT	27,161	27,161	27,161		27,161
0207131F	126	A-10 SQUADRONS	7,650	7,650	7,650		7,650
0207133F	127	F-16 SQUADRONS	81,338	81,338	81,338		81,338
0207134F	128	F-15E SQUADRONS	81,726	81,726	81,726		81,726
0207136F	129	MANNED DESTRUCTIVE SUPPRESSION	23,699	23,699	23,699		23,699
0207138F	130	F-22 SQUADRONS	181,239	181,239	181,239		181,239
0207141F	131	F-117A SQUADRONS	3,525	3,525	3,525		3,525
0207161F	132	TACTICAL AIM MISSILES	2,943	2,943	2,943		2,943
0207163F	133	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	37,008	43,508	37,008		37,008
		Increase		[6,500]			

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Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0207217F	133a	PODDED RECONNAISSANCE SYSTEMS			13,600		
		Upgrade theater airborne reconnaissance systems (TARS) pods			[13,600]		
0207247F	134	AF TENCAP	10,496	10,496	13,496	3,000	13,496
		GPS jammer detection & location (JLOC)			[3,000]	[3,000]	
0207248F	135	SPECIAL EVALUATION PROGRAM	110,080	113,280	113,280	20,200	130,280
		Classified program (Transfer from DERF)		[3,200]	[3,200]	[3,200]	
		Classified program (Transfer from DERF)				[17,000]	
0207253F	136	COMPASS CALL	3,877	11,877	3,877	8,000	11,877
		Compass Call upgrades		[8,000]		[8,000]	
0207268F	137	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	186,690	186,690	186,690		186,690
0207277F	138	CSAF INNOVATION PROGRAM	1,920	1,920	1,920		1,920
0207325F	139	JOINT AIR-TO-SURFACE STANDOFF MISSILE (JASSM)	42,097	52,097	57,097	15,000	57,097
		Accelerate extended range JASSM (JASSM ER)		[10,000]	[15,000]	[15,000]	
0207410F	140	AEROSPACE OPERATIONS CENTER (AOC)	35,875	35,875	35,875		35,875
0207412F	141	CONTROL AND REPORTING CENTER (CRC)	6,652	6,652	6,652		6,652
0207417F	142	AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	173,956	173,956	173,956		173,956
0207423F	143	ADVANCED COMMUNICATIONS SYSTEMS	29,133	29,133	29,133		29,133
0207424F	144	EVALUATION AND ANALYSIS PROGRAM	230,218	240,668	230,218		230,218
		Classified program		[10,450]			
0207433F	145	ADVANCED PROGRAM TECHNOLOGY	104,651	114,651	114,651	10,000	114,651
		Classified program (Transfer from DERF)		[10,000]	[10,000]	[10,000]	

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(Dollars in Thousands)

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0207438F	146	THEATER BATTLE MANAGEMENT (TBM) C4I	34,700	34,700	34,700		34,700
0207445F	147	FIGHTER TACTICAL DATA LINK	39,034	39,034	39,034		39,034
0207449F	148	MC2C (MULTI-SENSOR COMMAND AND CONTROL	191,089	679,089	429,089	378,000	569,089
		Accelerate MP-RTIP & B-767 test bed aircraft (Transfer from DERF)		[488,000]		[488,000]	
		Accelerate MP-RTIP (Transfer from DERF)			[238,000]		
		Fund B-767 aircraft using normal R&D rules				[-75,000]	
		Reflect delayed need for aircraft integration effort				[-35,000]	
0207581F	149	JOINT SURVEILLANCE AND TARGET ATTACK RADAR SYSTEM	55,515	68,215	55,515	7,000	62,515
		Joint services workstation		[12,700]		[7,000]	
0207590F	150	SEEK EAGLE	16,972	16,972	16,972		16,972
0207591F	151	ADVANCED PROGRAM EVALUATION	220,088	237,088	237,088	17,000	237,088
		Classified program (Transfer from DERF)		[17,000]	[17,000]	[17,000]	
0207601F	152	USAF MODELING AND SIMULATION	21,895	23,895	21,895	1,000	22,895
		Synthetic theater operations research model		[2,000]		[1,000]	
0207605F	153	WARGAMING AND SIMULATION CENTERS	5,278	5,278	7,778	2,500	7,778
		Wargaming & simulation centers			[2,500]	[2,500]	
0207701F	154	FULL COMBAT MISSION TRAINING					
0208006F	155	MISSION PLANNING SYSTEMS	17,002	17,002	17,002		17,002
0208021F	156	INFORMATION WARFARE SUPPORT	7,837	7,837	7,837		7,837
0208031F	157	WAR RESERVE MATERIEL - EQUIPMENT/SECONDARY ITEMS					
0208060F	158	THEATER MISSILE DEFENSES					

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Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0208160F	159	TECHNICAL EVALUATION SYSTEM	135,588	165,588	165,588	85,000	220,588
		Classified program (Transfer from DERF)		[30,000]	[30,000]	[30,000]	
		Classified program (Transfer from DERF)				[55,000]	
0208161F	160	SPECIAL EVALUATION SYSTEM	41,518	41,518	41,518		41,518
0208889F	161	COUNTERDRUG USSOUTHCOM SUPPORT					
0301310F	162	NATIONAL AIR INTELLIGENCE CENTER	[ ]	[ ]	[ ]	[ ]	[ ]
030134F	163	COBRA BALL	[ ]	[ ]	[ ]	[ ]	[ ]
0301315F	164	MISSILE AND SPACE TECHNICAL COLLECTION	[ ]	[ ]	[ ]	[ ]	[ ]
0301324F	165	FOREST GREEN	[ ]	[ ]	[ ]	[ ]	[ ]
0301398F	166	MANAGEMENT HEADQUARTERS GDIP	[ ]	[ ]	[ ]	[ ]	[ ]
		Classified program			[-3,100]		
0302015F	167	E-4B NATIONAL AIRBORNE OPERATIONS CENTER (NAOC)	47,867	47,867	47,867		47,867
0303110F	168	DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE)	2,046	2,046	2,046		2,046
0303112F	169	AIR FORCE COMMUNICATIONS (AIRCOM)					
0303131F	170	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS	2,423	2,423	2,423		2,423
0303140F	171	INFORMATION SYSTEMS SECURITY PROGRAM	9,353	16,353	20,853	14,500	23,853
		Accelerate toolsets development (Transfer from DERF)		[4,000]	[4,000]	[4,000]	
		Information operations technology & fusion initiative		[3,000]		[3,000]	
		Cyber security research			[7,500]	[7,500]	
0303141F	172	GLOBAL COMBAT SUPPORT SYSTEM	29,168	29,168	29,168		29,168
0303150F	173	GLOBAL COMMAND AND CONTROL SYSTEM	3,565	3,565	3,565		3,565

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0303401F	174	COMMUNICATIONS SECURITY (COMSEC)	4,765	4,765	4,765		4,765
0303601F	175	MILSATCOM TERMINALS	72,712	72,712	72,712		72,712
0304111F	176	SPECIAL ACTIVITIES	[ ]	[ ]	[ ]	[ ]	[ ]
		Classified program			[405,000]		
		Defense Reconnaissance Support Activities (Space) (Transfer from DERF)			[23,300]		
0304311F	177	SELECTED ACTIVITIES	150,243	222,243	222,243		150,243
		Classified - special activities (Transfer from DERF)		[72,000]	[72,000]		
		Classified					
0305099F	178	GLOBAL AIR TRAFFIC MANAGEMENT (GATM)	7,200	7,200	7,200		7,200
0305110F	179	SATELLITE CONTROL NETWORK (SPACE)	17,542	17,542	17,542		17,542
0305111F	180	WEATHER SERVICE	14,488	14,488	14,488		14,488
0305114F	181	AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM	9,865	9,865	9,865		9,865
0305128F	182	SECURITY AND INVESTIGATIVE ACTIVITIES	475	475	475		475
0305142F	183	APPLIED TECHNOLOGY INTEGRATION	[ ]	[ ]	[ ]	[ ]	[ ]
0305144F	184	TITAN SPACE LAUNCH VEHICLES (SPACE)					
0305148F	185	AIR FORCE TACTICAL MEASUREMENT & SIGNATURE	6,486	15,486	15,486	9,000	15,486
		ARGUS MASINT (Transfer from DERF)		[9,000]	[9,000]	[9,000]	
0305159F	186	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	42,076	187,376	164,076	120,300	162,376
		Classified program (Transfer from DERF)		[120,300]	[97,000]	[120,300]	
		Classified program (Transfer from DERF)		[25,000]	[25,000]		
0305160F	187	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	3,875	3,875	3,875		3,875

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0305164F	188	NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT)	86,799	86,799	86,799		86,799
0305165F	189	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTROL SEGMENTS)	324,098	275,098	294,098	-39,500	284,598
		Cancel high power option		[-49,000]	[-40,000]		
		Modify high power option				[-11,500]	
		Add FY 03 launch			[10,000]		
		USAF-requested transfer to MPAF 22				[-28,000]	
0305172F	190	COMBINED ADVANCED APPLICATIONS	[ ]	[ ]	[ ]	[ ]	[ ]
0305173F	190a	Space & Missile Test & Evaluation Center			1,000	1,000	1,000
		Civil reserve space initiative			[1,000]	[1,000]	
0305182F	191	SPACELIFT RANGE SYSTEM (SPACE)	82,108	82,108	90,108	8,000	90,108
		Systems engineering / planning & scheduling / communications			[8,000]	[8,000]	
0305202F	192	DRAGON U-2 (JMIP)	17,442	65,942	30,942	13,500	30,942
		U-2 SIGINT sensor nonrecurring engineering (NRE) (Transfer from DERF)		[10,800]	[10,800]	[10,800]	
		Global Hawk defensive system (Transfer from DERF)		[30,000]			
		Global Hawk SIGINT (Transfer from DERF)		[5,000]			
		U-2 SIGINT sensor demonstration unit (Transfer from DERF)		[2,700]	[2,700]	[2,700]	

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0305205F	193	ENDURANCE UNMANNED AERIAL VEHICLES	309,743	319,743	354,743	15,000	324,743
		Predator B engineering & manufacturing development (Transfer from DERF)		[10,000]	[10,000]	[10,000]	
		Global Hawk defensive system (Transfer from DERF)			[30,000]		
		Global Hawk SIGINT (Transfer from DERF)			[5,000]	[5,000]	
0305206F	194	AIRBORNE RECONNAISSANCE SYSTEMS	66,810	77,910	66,810	13,600	80,410
		Tactical airborne reconnaissance system (TARS)		[11,100]			
		Tactical airborne reconnaissance system (TARS) P3I				[13,600]	
0305207F	195	MANNED RECONNAISSANCE SYSTEMS		20,000		4,000	4,000
		Network centric collaborative targeting (NCCT) ACTD		[20,000]		[4,000]	
0305208F	196	DISTRIBUTED COMMON GROUND SYSTEMS	20,708	46,908	46,908	26,200	46,908
		Commercial imagery upgrades (Transfer from DERF)		[2,400]	[2,400]	[2,400]	
		DCGS MASINT (Transfer from DERF)		[5,000]	[5,000]	[5,000]	
		Create geospatial laboratory (Transfer from DERF)		[3,800]	[3,800]	[3,800]	
		DCGS/U-2 SIGINT Network (Transfer from DERF)		[15,000]	[15,000]	[15,000]	
0305906F	197	NCMC - TW/AA SYSTEM	15,639	15,639	15,639		15,639
0305910F	198	SPACETRACK (SPACE)	21,917	21,917	21,917		21,917
0305911F	199	DEFENSE SUPPORT PROGRAM (SPACE)	2,090	2,090	2,090		2,090
0305913F	200	NUDET DETECTION SYSTEM (SPACE)	21,180	21,180	21,180		21,180
0308601F	201	MODELING AND SIMULATION SUPPORT	1,995	1,995	1,995		1,995
0308699F	202	SHARED EARLY WARNING (SEW)	4,027	4,027	4,027		4,027

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0401115F	203	C-130 AIRLIFT SQUADRON	158,978	158,978	158,978		158,978
0401119F	204	C-5 AIRLIFT SQUADRONS	277,795	277,795	304,395	26,600	304,395
		Avionics modernization program - Transfer from APAF 33			[26,600]	[26,600]	
0401130F	205	C-17 AIRCRAFT	157,213	157,213	157,213		157,213
0401132F	206	C-130J PROGRAM	10,000	10,000	10,000		10,000
0401134F	207	LARGE AIRCRAFT IR COUNTERMEASURES (LAIRCM)	47,539	47,539	47,539		47,539
0401218F	208	KC-135S	1,497	1,497	1,497		1,497
0401219F	209	KC-10S	10,506	10,506	10,506		10,506
0404011F	210	SPECIAL OPERATIONS FORCES					
0702207F	211	DEPOT MAINTENANCE (NON-IF)	1,340	2,840	1,340	1,500	2,840
		Metrology		[1,500]		[1,500]	
0708011F	212	INDUSTRIAL PREPAREDNESS	37,581	40,581	39,581	2,000	39,581
		Metals affordability initiative		[3,000]			
		Bipolar wafer-cell NiMH aircraft battery			[2,000]	[2,000]	
0708012F	213	LOGISTICS SUPPORT ACTIVITIES	10,375	10,375	10,375		10,375
0708026F	214	PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN. PROG OFC (PRAMPO)	4,767	4,767	4,767		4,767
0708071F	215	JOINT LOGISTICS PROGRAM - AMMUNITION STANDARD SYSTEM					
0708611F	216	SUPPORT SYSTEMS DEVELOPMENT	35,813	36,813	37,813	3,000	38,813
		Low emission / efficient hybrid aviation refueling truck propulsion		[1,000]		[1,000]	
		Aging aircraft support			[2,000]	[2,000]	

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0708612F	217	COMPUTER RESOURCES SUPPORT IMPROVEMENT PROGRAM (CRSIP)	2,094	2,094	2,094		2,094
0901212F	218	SERVICE-WIDE SUPPORT	4,090	4,090	4,090		4,090
0901218F	219	CIVILIAN COMPENSATION PROGRAM	7,132	7,132	7,132		7,132
0901538F	220	FINANCIAL MANAGEMENT INFORMATION SYSTEMS	21,326	21,326	21,326		21,326
1001018F	221	NATO JOINT STARS					
	999	CLASSIFIED PROGRAMS	5,019,286	5,019,286	5,444,486	-102,000	4,917,286
	221a	Civilian personnel accounting adjustment		-36,249	-36,249	-36,249	-36,249
	221b	Financial management savings			-27,200	-27,200	-27,200
	221c	Contract services savings			-45,200	-31,906	-31,906
	221d	Operational systems development T&E transfer			-60,000		
	221e	General reduction			-6,000		
		Total, RDT&E Air Force	**17,601,233**	**18,803,184**	**18,611,184**	**735,845**	**18,337,078**

Multi-sensor command and control constellation

The budget request for the Defense Emergency Response Fund (DERF), Security, Communications, and Information Operations activity included $488.0 million for the multi-sensor command and control constellation (MC2C) program. This request included $150.0 million for the purchase of a Boeing 767–400ER testbed aircraft for the multi-sensor command and control aircraft (MC2A) and $100.0 million for integration engineering for that aircraft. The request also included $238.0 million to accelerate the initial sensor suite, known as the multi-platform radar technology insertion program (MP–RTIP), for the MC2A aircraft and for the Global Hawk unmanned aerial vehicle. The budget request also included $191.1 million in PE 27449F for the MC2C program, reflecting a total request of $679.1 million.

The House bill would authorize the budget request.

The Senate amendment would authorize a total of $429.1 million for the program. This decrease of $250.0 million was based on the belief that the Air Force did not have to budget for the testbed aircraft and its initial integration engineering in fiscal year 2003, since the MP–RTIP system would not be available to install in the aircraft until fiscal year 2007.

The conferees agree to authorize a decrease of $75.0 million for the aircraft purchase and a decrease of $35.0 million for the associated integration engineering activities.

The Air Force has informed the conferees that they have extended the schedule for manufacturing, integration engineering, and airworthiness flight testing for the MC2A testbed aircraft. The new estimate of the schedule would reduce the amount of time available to modify the aircraft to a configuration that would support installation of the MP–RTIP sensor. The revised schedule calls for delivery of the testbed aircraft late in the third quarter of fiscal year 2004 rather than the originally planned delivery early in the first quarter of fiscal year 2004.

The conferees agree that, under the revised schedule, the Air Force may begin the purchase of the aircraft in fiscal year 2003, but should split the cost of the aircraft and integration engineering between fiscal years 2003 and 2004. Since the schedule for the aircraft has been delayed, the conferees have determined that the Air Force does not require all of the funding originally requested for integration engineering tasks in fiscal year 2003.

Therefore, the conferees agree to authorize a total of $569.1 million for the program, a total decrease of $110.0 million.

DEFENSE-WIDE

Research, Development, Test and Evaluation, Defense-Wide—Overview

The budget request for fiscal year 2003 included an authorization of $16,613.6 million for Research, Development, Test and Evaluation, Defense-Wide in the Department of Defense.

The House bill would authorize $17,516.3 million.

The Senate amendment would authorize $16,496.9 million.

The conferees recommend an authorization of $17,659.1 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
		RESEARCH, DEVELOPMENT, TEST & EVALUATION, DEFENSE-WIDE					
0601101D8Z	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	2,126	2,126	2,126		2,126
0601101E	2	DEFENSE RESEARCH SCIENCES	175,646	165,146	187,146	9,000	184,646
		Defense research sciences		[-12,000]			
		University optoelectronic centers			[3,000]	[2,000]	
		Interdisciplinary biological nanoscience research		[1,500]			
		Nanotechnology for advanced biomedical sensors & devices			[4,000]	[3,000]	
		Molecular electronics			[2,000]	[2,000]	
		Advanced photonic composite research			[2,500]	[2,000]	
0601103D8Z	3	UNIVERSITY RESEARCH INITIATIVES	221,610	221,610	235,610	2,000	223,610
		Advanced remote sensing			[2,000]		
		Optimization & enterprise sciences for military personnel management			[2,000]	[2,000]	
		Nanotechnology incentive fund			[10,000]		
0601105D8Z	4	FORCE HEALTH PROTECTION	9,973	9,973	9,973		9,973
0601108D8Z	5	HIGH ENERGY LASER RESEARCH INITIATIVES	12,082	12,082	12,082		12,082
0601111D8Z	6	GOVERNMENT/INDUSTRY COSPONSORSHIP OF UNIVERSITY	3,467	3,467	3,467		3,467
		Semiconductor research - Focus Center research program (FCRP)					
0601114D8Z	7	DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE	9,864	19,864	9,864	10,000	19,864
		Additional DEPSCoR effort		[10,000]		[10,000]	

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0601384BP	8	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	64,119	71,119	65,119	8,000	72,119
		Engineered pathogen identification & countermeasures program		[7,000]		[7,000]	
		Agro-terrorism research			[1,000]	[1,000]	
0602110E	9	NEXT GENERATION INTERNET					
0602173C	10	SUPPORT TECHNOLOGIES - APPLIED RESEARCH					
0602227D8Z	11	MEDICAL FREE ELECTRON LASER		15,000	8,000	15,000	15,000
		Medical free electron laser		[15,000]	[8,000]	[15,000]	
0602228D8Z	12	HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU)	13,970	13,970	13,970		13,970
0602234D8Z	13	LINCOLN LABORATORY RESEARCH PROGRAM	27,732	27,732	27,732		27,732
0602301E	14	COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY	424,940	374,940	419,940	-5,000	419,940
		Computing systems & communications technology		[-50,000]			
		Bio-surveillance and genisys			[-5,000]	[-5,000]	
0602302E	15	EMBEDDED SOFTWARE AND PERVASIVE COMPUTING	60,000	60,000	60,000		60,000
0602383E	16	BIOLOGICAL WARFARE DEFENSE	133,000	148,250	144,250	15,250	148,250
		Anthrax therapeutic candidate technologies (Transfer from DERF)		[11,250]	[11,250]	[11,250]	
		Asymmetric protocols for biological defense enhancement		[4,000]		[4,000]	

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0602384BP	17	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	262,177	275,177	261,877	33,200	295,377
		Rapid antibody-based biological countermeasures		[2,000]		[2,000]	
		Chemical-biological regenerative air filter		[8,000]		[8,000]	
		Mustard gas prophylactic		[3,000]		[3,000]	
		Nanoemulsions for decontamination			[5,000]	[5,000]	
		Nanosystem detection & deactivation of biowarfare agents			[2,000]	[2,000]	
		Detection of chemical, biological & pollutant agents in water			[5,000]	[5,000]	
		Nanoparticle responses to chemical & biological threats			[5,000]	[3,000]	
		Bioinformatics			[3,000]	[3,000]	
		Materials fabrication for bio sensors			[1,000]	[1,000]	
		Chemical agent exposure research			[1,200]	[1,200]	
		Nanotechnology biological agent sensor			[2,500]		
		Chemical & biological research programs			[-25,000]		
0602702E	18	TACTICAL TECHNOLOGY	180,952	180,952	170,952	-10,000	170,952
		Hypersonics technology			[-10,000]	[-10,000]	
0602708E	19	INTEGRATED COMMAND AND CONTROL TECHNOLOGY					
0602712E	20	MATERIALS AND ELECTRONICS TECHNOLOGY	440,500	392,500	435,500	-7,800	432,700
		Materials and electronics technology		[-50,000]		[-9,800]	
		Integrated optoelectronic technology		[2,000]		[2,000]	
		Biologically-based materials & devices			[-5,000]		
0602715BR	21	NUCLEAR SUSTAINMENT & COUNTERPROLIFERATION					

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0602716BR	22	WMD DEFEAT TECHNOLOGY	146,143	180,443	186,443	38,300	184,443
		CT information network (Transfer from DERF)		[5,500]	[5,500]	[5,500]	
		Vulnerability reduction technology measures (Transfer from DERF)		[9,800]	[9,800]	[9,800]	
		Hazard prediction & decision support tools (Transfer from DERF)		[5,000]	[5,000]	[5,000]	
		Hard target defeat characterization initiative (Transfer from DERF)		[7,000]	[7,000]	[7,000]	
		Enhanced blast weapons effects (Transfer from DERF)		[7,000]	[7,000]	[7,000]	
		Discrete particle method			[3,000]	[1,000]	
		Deep digger			[3,000]	[3,000]	
0602717BR	23	STRATEGIC DEFENSE TECHNOLOGIES	131,199	131,199	131,199		131,199
0602787D8Z	24	MEDICAL TECHNOLOGY					
0602890D8Z	25	HIGH ENERGY LASER RESEARCH	39,310	39,310	39,310		39,310
0603002D8Z	26	MEDICAL ADVANCED TECHNOLOGY					
0603104D8Z	27	EXPLOSIVES DEMILITARIZATION TECHNOLOGY	8,935	11,935	8,935		8,935
		Tactical missile recycling		[3,000]			
0603121D8Z	28	SO/LIC ADVANCED DEVELOPMENT	13,800	22,800	22,800	9,000	22,800
		Special reconnaissance capabilities (Transfer from DERF)		[5,000]	[5,000]	[5,000]	
		Measurement & signatures information (Transfer from DERF)		[4,000]	[4,000]	[4,000]	

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603122D8Z	29	COMBATING TERRORISM TECHNOLOGY SUPPORT	49,015	132,915	123,615	84,600	133,615
		Entry point screening & perimeter protection (Transfer from DERF)		[11,000]	[11,000]	[11,000]	
		Reconnaissance Tool Kit (Transfer from DERF)		[19,500]	[19,500]	[19,500]	
		Super zoom digital camera (Transfer from DERF)		[6,000]	[6,000]	[6,000]	
		Combating terrorism BAA (Transfer from DERF)		[19,500]	[19,500]	[19,500]	
		Attribution CT tools & deployable communications (Transfer from DERF)		[5,600]	[5,600]	[5,600]	
		Detection of Bio agents in food (Transfer from DERF)		[3,000]	[3,000]	[3,000]	
		Alternate power sources for battery charging (Transfer from DERF)		[5,000]	[5,000]	[5,000]	
		Stand off surveillance camera (Transfer from DERF)				[2,000]	
		Magnetic quadrapole resonance explosives detection		[2,000]			
		Lightweight biological detectors		[4,000]			
		Chemical-biological electrostatic decontamination system		[4,300]		[5,000]	
		Facial recognition technology		[4,000]		[3,000]	
		Blast mitigation testing			[5,000]	[5,000]	
0603160BR	30	COUNTERPROLIFERATION ADVANCED DEVELOPMENT	77,389	97,389	77,389	16,000	93,389
		SOF support defeat terrorist (Transfer from DERF)		[11,000]		[11,000]	
		Anti-biological weapon defeat device (Transfer from DERF)		[5,000]		[5,000]	
		Thermobaric warhead development		[4,000]			
0603173C	31	SUPPORT TECHNOLOGIES - ADVANCED TECHNOLOGY					
0603174C	32	SPACE BASED LASERS (SBL)					

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603175C	33	BALLISTIC MISSILE DEFENSE TECHNOLOGY	121,751	127,251	145,451	15,000	136,751
		Wafer-scale planarization			[5,000]	[5,000]	
		Bottom anti-reflective coatings (BARC)			[5,000]	[5,000]	
		Nanophotonic systems fabrication facility			[3,700]		
		Silicon carbide-based wide-bandgap technology		[5,500]		[2,500]	
		Gallium nitride wide-bandgap semiconductors			[10,000]	[2,500]	
0603225D8Z	34	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	25,420	25,420	25,420		25,420
0603232D8Z	35	AUTOMATIC TARGET RECOGNITION	7,404	7,404	7,404		7,404
0603285E	36	ADVANCED AEROSPACE SYSTEMS	246,000	196,000	246,000	-10,500	235,500
		Advanced aerospace systems		[-50,000]		[-10,500]	
0603384BP	37	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED	249,842	252,442	249,142	16,300	266,142
		Miniature chemical analysis sys for detection of chem-bio agents in the chemlab (Transfer from DERF)		[2,600]			
		Biological process development facility			[7,000]	[7,000]	
		Electrostatic decontamination system			[5,000]		
		Chem-bio emergency response technologies			[2,300]	[2,300]	
		Vaccine stabilization			[3,000]	[3,000]	
		Weaponization of nanoparticles for the neutralization of facility threats			[3,000]		
		Agroterrorism prediction & risk assessment			[4,000]	[4,000]	
		Chemical & biological research programs			[-25,000]		

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603704D8Z	38	SPECIAL TECHNICAL SUPPORT	11,168	16,968	11,168		11,168
		Complex systems engineering		[5,800]			
0603711BR	39	ARMS CONTROL TECHNOLOGY	37,646	40,646	40,646	8,000	45,646
		Advanced CBRNE sensor & info fusion (Transfer from DERF)		[3,000]	[3,000]	[3,000]	
		Seismic research for monitoring nuclear explosions			[16,000]	[5,000]	
		Reduction to lower priority programs			[-16,000]		
0603712S	40	GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS	25,451	26,951	35,451	11,500	36,951
		Defense manufacturing supply chain management		[1,500]		[1,500]	
		Vehicle fuel cell program			[10,000]	[10,000]	
0603716D8Z	41	STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	60,468	30,468	63,468		60,468
		Inadequate budget justification		[-30,000]			
		UXO remediation technology development			[3,000]		
0603727D8Z	42	JOINT WARFIGHTING PROGRAM	9,610	9,610	9,610		9,610
0603728D8Z	43	AGILE PORT DEMONSTRATION					
0603738D8Z	44	COOPERATIVE DOD/VA MEDICAL RESEARCH					
0603739E	45	ADVANCED ELECTRONICS TECHNOLOGIES	150,400	150,400	150,400		150,400
0603750D8Z	46	ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS	199,580	215,580	199,580		199,580
		Stand off surveillance camera (Transfer from DERF)		[2,000]			
		Multi-link antenna system (MLAS)		[14,000]			
0603755D8Z	47	HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM	188,642	188,642	188,642		188,642
0603760E	48	COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS	130,101	130,101	130,101		130,101

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603762E	49	SENSOR AND GUIDANCE TECHNOLOGY	224,000	224,000	224,000		224,000
0603763E	50	MARINE TECHNOLOGY	33,000	33,000	33,000		33,000
0603764E	51	LAND WARFARE TECHNOLOGY	162,100	170,100	170,100	8,000	170,100
		Wolfpack program for terrorist communications (Transfer from DERF)		[8,000]	[8,000]	[8,000]	
0603765E	52	CLASSIFIED DARPA PROGRAMS	275,899	294,899	294,899	19,000	294,899
		Chem / bio agent defense improvements (Transfer from DERF)		[19,000]	[19,000]	[19,000]	
0603769D8Z	53	DISTRIBUTED LEARNING ADVANCED TECHNOLOGY	14,000	14,000	14,000		14,000
0603781D8Z	54	SOFTWARE ENGINEERING INSTITUTE	22,983	22,983	22,983		22,983
0603805S	55	DUAL USE APPLICATION PROGRAMS					
0603826D8Z	56	QUICK REACTION SPECIAL PROJECTS	25,430	25,430	50,430		25,430
		Defense acquisition challenge program (fence--non-add)		[25,000]			
		Technology transition initiative			[25,000]		
		Technology transition activities (fence--non-add)				[25,430]	
0603832D8Z	57	JOINT WARGAMING SIMULATION MANAGEMENT OFFICE	49,929	49,929	53,929		49,929
		Information technology for WMD medical response			[4,000]		
0603924D8Z	58	HIGH ENERGY LASER ADVANCED TECHNOLOGY PROGRAM	13,567	28,567	13,567		13,567
		Joint technology office		[15,000]			
0605160D8Z	59	COUNTERPROLIFERATION SUPPORT	1,806	1,806	17,806		1,806
		SOF support defeat terrorist (Transfer from DERF)			[11,000]		
		Anti-biological weapon defeat device (Transfer from DERF)			[5,000]		

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603228D8Z	60	PHYSICAL SECURITY EQUIPMENT	33,553	62,553	43,553	10,000	43,553
		Classified program (Transfer from DERF)		[10,000]	[10,000]	[10,000]	
		Enhanced techniques for detection of explosives		[3,000]			
		Backscatter mobile truck system		[16,000]			
0603709D8Z	61	JOINT ROBOTICS PROGRAM	11,305	11,305	11,305		11,305
0603714D8Z	62	ADVANCED SENSOR APPLICATIONS PROGRAM	15,994	22,994	15,994	1,000	16,994
		Classified programs		[5,000]			
		Multi-wavelength surface scanning biological sensor		[2,000]		[1,000]	
0603736D8Z	63	CALS INITIATIVE	1,647	1,647	1,647		1,647
0603851D8Z	64	ENVIRONMENTAL SECURITY TECHNOLOGY CERTIFICATION PROGRAM	28,334	20,334	33,334		28,334
		Eliminate growth above FY 02 level		[-8,000]			
		UXO remediation			[5,000]		
0603868C	65	NAVY THEATER WIDE MISSILE DEFENSE SYSTEM					
0603869C	66	MEADS CONCEPTS - DEM/VAL					
0603871C	67	NATIONAL MISSILE DEFENSE - DEM/VAL					
0603873C	68	FAMILY-OF SYSTEMS ENGINEERING AND INTEGRATION (FOS E&I					

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603874C	69	BMD TECHNICAL OPERATIONS					
0603875C	70	INTERNATIONAL COOPERATIVE PROGRAMS					
0603876C	71	THREAT AND COUNTERMEASURES					
0603880C	72	BALLISTIC MISSILE DEFENSE SYSTEM SEGMENT	1,065,982	1,085,982	733,982	5,650	1,071,632
		Wide bandwidth information technology program		[10,000]		[2,500]	
		Battlespace environment & signatures tool kit		[10,000]			
		Systems engineering & integration (SE&I)			[-140,000]		
		Maintain T&E funding level			[30,000]		
		Additional T&E funding				[3,150]	
		Duplication/lack of justification/execution			[-222,000]		
0603881C	73	BALLISTIC MISSILE DEFENSE TERMINAL DEFENSE SEGMENT	169,974	378,719	195,974	77,745	247,719
		Transfer from MEADS, PE 63869A (RDA 76)		[117,745]		[117,745]	
		Enhanced Arrow deployability program		[21,000]			
		Arrow Ballistic Missile System (Amd #5)		[70,000]			
		Arrow			[40,000]		
		Arrow (fence--non-add)				[55,000]	
		Program operations			[-14,000]		
		Sea-based terminal				[-40,000]	

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603882C	74	BALLISTIC MISSILE DEFENSE MIDCOURSE DEFENSE SEGMENT	3,195,104	3,247,104	3,034,104	5,000	3,200,104
		Aegis LEAP interceptor flight demonstration program		[27,000]			
		Long-range S-band & X-band discrimination radar program		[25,000]			
		High power discriminator radar development			[40,000]		
		Systems engineering & integration (SE&I)			[-45,000]		
		Small kill vehicle technology development			[10,000]	[5,000]	
		Concept development, studies & risk reduction			[-52,000]		
		SE&I -- non-system specific			[-50,000]		
		Program operations			[-64,000]		
0603883C	75	BALLISTIC MISSILE DEFENSE BOOST DEFENSE SEGMENT	796,927	719,427	546,927	-41,300	755,627
		Sea-based boost				[-20,000]	
		Sea-based boost -- undefined, unexecutable experiment			[-55,000]		
		Space-based boost				[-21,300]	
		Space-based boost -- undefined, unexecutable experiment			[-30,000]		
		Airborne laser		[-77,500]	[-135,000]		
		Space-based laser			[-10,000]		
		Program operations			[-20,000]		
0603884BP	76	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - DEM/VAL	144,790	154,790	147,390	2,600	147,390
		Miniature chemical analysis sys for detection of chem-bio agents in the chemlab (Transfer from DERF)			[2,600]	[2,600]	
		Chemical-biological mass spectrometer - Block II		[10,000]			

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0603884C	77	BALLISTIC MISSILE DEFENSE SENSORS	373,447	373,447	340,447	20,000	393,447
		Airborne infrared surveillance (AIRS) system			[22,000]	[10,000]	
		Russian-American observation satellite (RAMOS) solar array development			[10,000]	[10,000]	
		SBIRS-Low -- fund a single contractor			[-55,000]		
		Program operations			[-10,000]		
0603910D8Z	77a	Strategic Capability Modernization		125,000	125,000	125,000	125,000
		Hard & deeply buried target capabilities upgrades (Transfer from DERF)		[125,000]	[125,000]	[125,000]	
0603920D8Z	78	HUMANITARIAN DEMINING	13,355	13,355	13,355		13,355
0603923D8Z	79	COALITION WARFARE	12,444	12,444	12,444	-5,000	7,444
		Reduction				[-5,000]	
0604722D8Z	80	JOINT SERVICE EDUCATION AND TRAINING SYSTEMS					
0303191D8Z	81	JOINT ELECTROMAGNETIC TECHNOLOGY (JET) PROGRAM	5,085	5,085	5,085		5,085
0901585C	82	PENTAGON RESERVATION					
	82a	Kinetic Energy Anti-satellite System (KE-ASAT)		7,500			
		Develop another option for space control		[7,500]			
	82b	Dem/val Test and Evaluation transfer			-37,000		
0604384BP	83	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - EMD	169,018	169,018	169,018		169,018
0604709D8Z	84	JOINT ROBOTICS PROGRAM - EMD	13,643	13,643	14,643	1,000	14,643
		Robotic & unmanned military platforms			[1,000]	[1,000]	
0604764K	85	ADVANCED IT SERVICES JOINT PROGRAM OFFICE (AITS-JPO)	28,393	28,393	28,393		28,393
0604771D8Z	86	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	10,797	10,797	10,797		10,797

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0604861C	87	THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - EMD	932,171	932,171	892,171		932,171
		Missiles excess to the THAAD test program			[-40,000]		
0604865C	88	PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION - EMD		150,819		150,819	150,819
		Transfer from PE 64865A (RDA 126)		[150,819]		[150,819]	
0604867C	89	NAVY AREA THEATER MISSILE DEFENSE - EMD					
0605013BL	90	INFORMATION TECHNOLOGY DEVELOPMENT	3,938	3,938	3,938		3,938
0605013D8Z	91	PROTOTYPE ACCOUNTING SYSTEMS	700	700	700		700
0605014SE	92	INFORMATION TECHNOLOGY DEVELOPMENT					
0605015BL	93	INFORMATION TECHNOLOGY DEVELOPMENT-STANDARD	10,427	10,427	10,427	-2,500	7,927
		Schedule slip				[-2,500]	
0605016D8Z	94	FINANCIAL MANAGEMENT SYSTEM IMPROVEMENTS	96,250	96,250	96,250		96,250
0303129K	95	DEFENSE MESSAGE SYSTEM	11,803	11,803	11,803		11,803
0303140K	96	INFORMATION SYSTEMS SECURITY PROGRAM	17,620	17,620	17,620		17,620
0303141K	97	GLOBAL COMBAT SUPPORT SYSTEM	17,239	17,239	17,239		17,239
0305840K	98	ELECTRONIC COMMERCE	24,265	24,265	24,265		24,265
	98a	EMD Test and Evaluation transfer			-8,000		
0603858D8Z	99	UNEXPLODED ORDNANCE DETECTION AND CLEARANCE	1,185	1,185	1,185		1,185
0604943D8Z	100	THERMAL VICAR	7,058	7,058	7,058		7,058
0605104D8Z	101	TECHNICAL STUDIES, SUPPORT AND ANALYSIS	30,023	30,023	25,023	-5,000	25,023
		OSD reports, studies, & analyses			[-5,000]	[-5,000]	
0605110BR	102	CRITICAL TECHNOLOGY SUPPORT	1,862	1,862	1,862		1,862

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0605114E	103	BLACK LIGHT	5,000	15,000	15,000	10,000	15,000
		Classified program (Transfer from DERF)		[10,000]	[10,000]	[10,000]	
0605116D8Z	104	GENERAL SUPPORT TO C3I	14,979	19,879	19,879	4,900	19,879
		Tech demos & coordinated IT planning for homeland security (Transfer from DERF)		[2,000]	[2,000]	[2,000]	
		GIS-based maps for installation consequence management (Transfer from DERF)		[2,900]	[2,900]	[2,900]	
0605117D8Z	105	FOREIGN MATERIAL ACQUISITION AND EXPLOITATION	32,382	32,382	34,382		32,382
		Classified program			[2,000]		
0605123D8Z	106	INTERAGENCY EXPORT LICENSE AUTOMATION	10,702	10,702	10,702		10,702
0605124D8Z	107	DEFENSE TRAVEL SYSTEM	30,358	20,358	30,358	-9,500	20,858
		Eliminate growth above FY 02 level		[-10,000]		[-9,500]	
0605126J	108	JOINT THEATER AIR AND MISSILE DEFENSE ORGANIZATION	72,919	72,919	72,919		72,919
0605128D8Z	109	CLASSIFIED PROGRAM USD(P)					
0605130D8Z	110	FOREIGN COMPARATIVE TESTING	31,670	31,670	31,670		31,670
0605384BP	111	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	42,959	43,959	42,959		42,959
		Interagency consequence management equipment program		[1,000]			
0605502C	112	SMALL BUSINESS INNOVATIVE RESEARCH - BMDO					
0605502E	113	SMALL BUSINESS INNOVATIVE RESEARCH					

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0605710D8Z	114	CLASSIFIED PROGRAMS - C3I	60,708	102,768	112,768	52,060	112,768
		Information security scholarships			[10,000]	[10,000]	
		Hard & deeply buried target analysis upgrades (Transfer from DERF)		[3,200]	[3,200]	[3,200]	
		National Infrastructure Protection Center (NIPC) Crucial Player (Transfer from DERF)		[1,600]	[1,600]	[1,600]	
		Space Policy activities supporting Operation Enduring Freedom (Transfer from DERF)		[4,500]	[4,500]	[4,500]	
		Collaborative planning tools (Transfer from DERF)		[32,760]	[32,760]	[32,760]	
0605790D8Z	115	SMALL BUSINESS INNOVATION RESEARCH/CHALLENGE	2,103	2,103	2,103		2,103
0605798S	116	DEFENSE TECHNOLOGY ANALYSIS	5,201	5,201	5,201		5,201
0605799D8Z	117	FORCE TRANSFORMATION DIRECTORATE	20,000	20,000	20,000		20,000
0605801K	118	DEFENSE TECHNICAL INFORMATION SERVICES (DTIC)	45,249	45,249	45,249		45,249
0605803SE	119	R&D IN SUPPORT OF DOD ENLISTMENT, TESTING AND	8,963	8,963	8,963		8,963
0605804D8Z	120	DEVELOPMENT TEST AND EVALUATION	48,913	48,913	48,913		48,913
0605898E	121	MANAGEMENT HEADQUARTERS (RESEARCH AND	43,572	43,572	43,572		43,572
0901585C	122	PENTAGON RESERVATION	7,457	7,457	7,457		7,457
0901598C	123	MANAGEMENT HEADQUARTERS-BMDO	27,909	27,909	27,909		27,909
0909999E	124	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS					
0604805D8Z	125	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE	10,320	18,320	10,320	8,000	18,320
		Aircraft affordability initiative		[8,000]		[8,000]	
0605127T	126	PARTNERSHIP FOR PEACE (PFP) INFORMATION MANAGEMENT	1,920	1,920	1,920		1,920

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0208045K	127	C4I INTEROPERABILITY	43,199	43,199	43,199		43,199
0208052J	128	JOINT ANALYTICAL MODEL IMPROVEMENT PROGRAM	12,531	12,531	12,531		12,531
0300205R	129	INFORMATION TECHNOLOGY SYSTEMS	550	550	550		550
0301011G	130	CRYPTOLOGIC ACTIVITIES	[ ]	[ ]	[ ]	[ ]	[ ]
		Classified program			[-12,000]		
		Classified program			[-45,000]		
		Secure Bandwidth (Transfer from DERF)			[30,000]		
		Mobile Secure Communications (Transfer from DERF)			[20,400]		
		Classified - Cryptologic activities (Transfer from DERF)			[7,000]		
		NC-2 COMSEC (Transfer from DERF)			[10,000]		
		Coalition Interoperability and Coalition Information Security (Transfer from DERF)			[18,000]		
0301301L	131	GENERAL DEFENSE INTELLIGENCE PROGRAM	[ ]	[ ]	[ ]	[ ]	[ ]
		Hard & deeply buried target intelligence support (Transfer from DERF)			[5,800]		
		Classified program			[-10,000]		
		Classified program (Transfer from DERF)			[9,000]		
0301398L	132	MANAGEMENT HEADQUARTERS GDIP, DIA	[ ]	[ ]	[ ]	[ ]	[ ]
0302016K	133	NATIONAL MILITARY COMMAND SYSTEM-WIDE SUPPORT	1,053	1,053	1,053		1,053
0302019K	134	DEFENSE INFO INFRASTRUCTURE ENGINEERING AND	7,554	7,554	7,554		7,554

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0303126K	135	LONG HAUL COMMUNICATIONS (DCS)	1,407	1,407	1,407		1,407
0303127K	136	SUPPORT OF THE NATIONAL COMMUNICATIONS SYSTEM	15,046	15,046	15,046		15,046
0303131K	137	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS	7,199	7,199	7,199		7,199
0303140G	138	INFORMATION SYSTEMS SECURITY PROGRAM	394,257	445,407	398,257	54,400	448,657
		Secure Bandwidth (Transfer from DERF)		[30,000]		[30,000]	
		Mobile Secure Communications (Transfer from DERF)		[20,400]		[20,400]	
		Computer science & internet security degree program		[750]			
		Information systems protection research			[4,000]	[4,000]	
0303149J	139	C4I FOR THE WARRIOR	10,190	10,190	10,190		10,190
0303149K	140	C4I FOR THE WARRIOR	20,536	25,036	25,036	4,500	25,036
		Improve network infrastructure (Transfer from DERF)		[4,500]	[4,500]	[4,500]	
0303150K	141	GLOBAL COMMAND AND CONTROL SYSTEM	15,604	15,604	15,604		15,604
0303153K	142	JOINT SPECTRUM CENTER	19,102	19,102	19,102		19,102
0303610K	143	TELEPORT PROGRAM	6,678	6,678	6,678		6,678
0304210BB	144	SPECIAL RECONNAISSANCE CAPABILITIES (SRC) PROGRAM					
0304345BQ	145	NATIONAL IMAGERY AND MAPPING PROGRAM	[ ]	[ ]	[ ]	[ ]	[ ]
		Classified program			[9,000]		

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0305102BQ	146	DEFENSE IMAGERY AND MAPPING PROGRAM	143,488	183,488	164,588	21,100	164,588
		Integrate airborne information into collection manage & exploit system (Transfer from DERF)		[8,300]	[8,300]	[8,300]	
		Softcopy exploitation infrastructure acceleration (Transfer from DERF)		[1,000]	[1,000]	[1,000]	
		Increase storage capacity for command information libraries (Transfer from DERF)		[1,000]	[1,000]	[1,000]	
		Improve mensuration to support PGM accuracy needs (Transfer from DERF)		[1,700]	[1,700]	[1,700]	
		Classified programs initiatives		[28,000]			
		Feature-level database development			[4,100]	[4,100]	
		Intelligent spatial technologies for smart maps			[1,000]	[1,000]	
		Broadcast-request imagery technology development (BRITE)			[4,000]	[4,000]	
0305127D8Z	147	FOREIGN COUNTERINTELLIGENCE ACTIVITIES	13,916	13,916	29,216		13,916
		Classified program			[15,300]		
0305127V	148	FOREIGN COUNTERINTELLIGENCE ACTIVITIES	474	474	474		474
0305146D8Z	149	DEFENSE JOINT COUNTERINTELLIGENCE PROGRAM (JMIP)	6,058	59,058	54,058	53,000	59,058
		Adv info systems & contractor support for critical asset protection (Transfer from DERF)		[48,000]	[48,000]	[48,000]	
		Counterintelligence awareness initiative		[5,000]		[5,000]	

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(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0305190D8Z	150	C3I INTELLIGENCE PROGRAMS	75,682	121,582	118,982	49,800	125,482
		Hard & deeply buried target intelligence technology (Transfer from DERF)		[3,200]	[3,200]	[3,200]	
		Modernize electronic warfare capabilities (Transfer from DERF)		[25,000]	[25,000]	[25,000]	
		Analysis of the potential for wars (Transfer from DERF)		[9,000]		[9,000]	
		Develop & test systems for horizontal fusion analysis (Transfer from DERF)		[5,600]	[5,600]	[5,600]	
		Coalition-Intelligence Information Sharing (CENTRIX) (Transfer from DERF)		[5,000]	[5,000]	[5,000]	
		Classified program (Transfer from DERF)		[32,100]			
		C3I intelligence programs		[-34,000]			
		Regional pilot program for infrastructure protection			[4,500]	[2,000]	
0305191D8Z	151	TECHNOLOGY DEVELOPMENT	120,458	230,958	263,058	142,600	263,058
		Classified program (Transfer from DERF)		[110,500]	[110,500]	[110,500]	
		Classified program (Transfer from DERF)			[32,100]	[32,100]	
0305202G	152	DRAGON U-2 (JMIP)	3,353	3,353	3,353		3,353
0305206G	153	AIRBORNE RECONNAISSANCE SYSTEMS	11,934	14,934	11,934		11,934
		Multifunction self-aligned gate tile antenna		[3,000]			
0305207G	154	MANNED RECONNAISSANCE SYSTEMS	4,649	12,899	4,649	5,000	9,649
		Combat Sent data distribution upgrade		[8,250]		[5,000]	
0305208BQ	155	DISTRIBUTED COMMON GROUND SYSTEMS	[ ]	[ ]	[ ]	[ ]	[ ]
0305208G	156	DISTRIBUTED COMMON GROUND SYSTEMS	[ ]	[ ]	[ ]	[ ]	[ ]

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
0305208L	157	DISTRIBUTED COMMON GROUND SYSTEMS	1,000	1,000	1,000		1,000
0305884L	158	INTELLIGENCE PLANNING AND REVIEW ACTIVITIES	[ ]	[ ]	[ ]	[ ]	[ ]
		Hard & deeply buried target intelligence support (Transfer from DERF)		[5,800]			
		Classified program (Transfer from DERF)		[9,000]			
0305885G	159	TACTICAL CRYPTOLOGIC ACTIVITIES	113,159	148,159	113,159	35,000	148,159
		Classified - Cryptologic activities (Transfer from DERF)		[7,000]		[7,000]	
		NC-2 COMSEC (Transfer from DERF)		[10,000]		[10,000]	
		Coalition Interoperability and Coalition Information Security (Transfer from DERF)		[18,000]		[18,000]	
0305889G	160	COUNTERDRUG INTELLIGENCE SUPPORT					
0305917D8Z	161	NATIONAL SECURITY SPACE ARCHITECT (NSSA)	11,185	11,185	11,185		11,185
0708011S	162	INDUSTRIAL PREPAREDNESS	13,072	13,072	18,072	5,000	18,072
		Laser additive manufacturing program			[5,000]	[5,000]	
0902298J	163	MANAGEMENT HEADQUARTERS (OJCS)	12,887	12,887	12,887		12,887
0902740J	164	JOINT SIMULATION SYSTEM					
1160279BB	165	SMALL BUSINESS INNOVATIVE RESEARCH/SMALL BUS TECH					
1160401BB	166	SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT	6,741	11,741	11,741	5,000	11,741
		Spike urban warfare system		[5,000]		[5,000]	
		Advanced technologies for Special Operations Forces			[5,000]		
1160402BB	167	SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT	62,276	62,276	62,276		62,276

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
1160404BB	168	SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT	281,443	283,943	271,043	13,900	295,343
		Cobra Blue Force tracking equipment		[2,500]		[2,500]	
		Use excess FY 02 funds for FY 03 requirements			[-12,200]		
		Joint threat warning system			[1,800]	[1,800]	
		Underwater systems advanced development:					
		Other ASDS development				[9,600]	
1160405BB	169	SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT	1,590	1,590	3,790	26,000	27,590
		Embedded integrated broadcast service (IBS) receivers			[2,200]	[1,000]	
		Classified program (Transfer from DERF)				[25,000]	
1160407BB	170	SOF MEDICAL TECHNOLOGY DEVELOPMENT	1,962	1,962	1,962		1,962
1160408BB	171	SOF OPERATIONAL ENHANCEMENTS	77,308	77,308	86,408	4,000	81,308
		Classified program adjustments			[9,100]		
		Advanced night vision system				[4,000]	
	999	CLASSIFIED PROGRAMS	2,534,247	2,549,047	2,596,447		2,534,247
	171a	Civilian personnel accounting adjustment		-14,688	-14,688	-14,688	-14,688
	171b	Financial management savings			-36,600	-36,600	-36,600

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
	171c	Contract services savings			-25,200	-17,788	-17,788
	171d	Operational systems development T&E transfer			-25,000		
	171e	Missile Defense Agency		-135,000		-814,300	-814,300
		General reduction - MDA programs		[-135,000]		[-814,300]	
	171f	President's priorities for combating terrorism or ballistic missile defense				814,300	814,300
		Total, RDT&E Defense-Wide	**16,613,551**	**17,516,337**	**16,496,873**	**1,045,548**	**17,659,099**

Advanced aerospace systems

The budget request included $246.0 million in PE 63285E for research to address high payoff opportunities associated with advanced aeronautical and space systems.

The House bill would authorize a decrease of $50.0 million in PE 63285E.

The Senate amendment would authorize the budget request.

The conferees agree to a $10.5 million reduction to PE 63285E. The conferees direct that this reduction not be assessed against the Unmanned Combat Air Vehicle programs.

Arrow

The budget request included $65.7 million in PE 63881C for the joint U.S./Israeli Arrow missile defense program.

The House bill would authorize an increase of $91.0 million in PE 63881C for the Arrow program.

The Senate amendment would authorize an increase of $40.0 million in PE 63881C for the Arrow program.

The conferees strongly support the Arrow program and agree that, of the funding authorized for the Missile Defense Agency, up to an additional $55.0 million may be used for the Arrow program.

TEST AND EVALUATION

Operational Test and Evaluation, Defense—Overview

The budget request for fiscal year 2003 included an authorization of $222.1 million for Operational Test and Evaluation, Defense.

The House bill would authorize $222.1 million.

The Senate amendment would authorize $361.6 million.

The conferees recommend an authorization of $311.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II-RDT and E

(Dollars in Thousands)

Program Element	Line No	Program Title	FY 2003 Request	House Authorized	Senate Authorized	Conference Agreement Change	Conference Agreement Authorized
		OPERATIONAL TEST & EVALUATION, DEFENSE					
0603941D8Z	1	TEST & EVALUATION SCIENCE TECHNOLOGY	6,010	6,010	11,010	4,000	10,010
		Test & evaluation science & technology			[5,000]	[4,000]	
0604940D8Z	2	CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT	123,276	123,276	251,276	74,000	197,276
		Central T&E improvement program			[50,000]	[70,000]	
		Transfer from acquisition programs			[70,000]		
		Digital video laboratory			[3,000]	[3,000]	
		Big Crow test support activities			[5,000]		
		Joint directed energy combat operations & employment (JDECOE)				[1,000]	
0605118D8Z	3	OPERATIONAL TEST AND EVALUATION	19,725	19,725	19,725		19,725
0605131D8Z	4	LIVE FIRE TESTING	10,102	10,102	16,602	6,500	16,602
		Live fire test & training program			[5,000]	[5,000]	
		Fire fighting training system			[1,500]	[1,500]	
0605804D8Z	5	DEVELOPMENT TEST AND EVALUATION	62,941	62,941	62,941	5,000	67,941
		Big Crow test support activities				[5,000]	
		Total, Operational Test & Evaluation, Defense	**222,054**	**222,054**	**361,554**	**89,500**	**311,554**

ITEMS OF SPECIAL INTEREST

Biometric identification technology

The budget request included the following amounts for research and development activities related to information systems security programs: (1) $394.3 million in PE 33140G; (2) $14.8 million in PE 33140A; (3) $18.4 million in PE 33140N; and (4) $9.4 million in PE 33140F. Within those amounts, the budget request included $4.3 million in projects related to biometric and anti-tamper evaluations in PE 33140G and $6.0 million in PE 33140A supporting the Department of the Army and Department of Defense Executive Agent activities for biometrics.

The House bill and the Senate amendment would support the budget request.

The House report (H. Rept. 107–592) on the Intelligence Authorization Act for Fiscal Year 2003 (H.R. 4628) would recommend $15.0 million within PE 33140G for a national biometric security project.

The conferees understand that use of biometric identification techniques could dramatically improve national infrastructure security. For example, biometric technology can be used for protecting electronic information systems, ensuring the authenticity of communications, and deterring terrorist or other attacks against the national communications infrastructure.

The conferees believe that the Defense Department's biometrics research and development programs might benefit from participation in a national-level consortium. That consortium might coordinate biometric research, assess various biometric techniques, evaluate promising technologies, and educate information professionals. Such a consortium approach might be used to mobilize and coordinate biometric expertise and provide an informed basis for integrating biometric technologies into a comprehensive approach to infrastructure security. In so doing, a consortium could provide independent, private sector advice and support on how best to deploy biometrics and biometric technologies to help deter or respond to terrorist attacks against the national critical infrastructure.

Therefore, the conferees encourage the Director of the National Security Agency to investigate the possibility of sponsoring a national biometric security project and provide the results of that investigation to the congressional defense and intelligence committees when he completes that review. The conferees also believe that it would be appropriate to use resources from within the information systems security program to conduct such a review.

Delegation of research, development, test, and evaluation programs and activities

The conferees support the efforts of the Department of Defense to streamline and transform itself in order to more effectively modernize and achieve its mission. The conferees are concerned, however, about recent efforts to devolve numerous research, development, test, and evaluation (RDT&E) programs within the Office of the Secretary of Defense (OSD) to the services and defense components. In particular, the conferees note that several programs with significant congressional interest are being transferred out of OSD,

many of which are managed by OSD at congressional direction. It is the conferees' understanding that these programs are being transferred to achieve staffing and budget goals within OSD, rather than to improve the execution or performance of the affected programs. The conferees believe that the level of support that these RDT&E programs will receive if managed by the services and defense components will be reduced without OSD oversight. In addition, many of these programs serve multiple military objectives, which may not be addressed if the programs are managed by the individual services or defense components.

Therefore, the conferees direct the Secretary of Defense to halt any efforts to transition the following RDT&E programs to a particular service or defense component: (1) Strategic Environmental Research and Development Program; (2) Defense Experimental Program to Stimulate Competitive Research; (3) Environmental Security Technology Certification Program; (4) In-House Laboratory Independent Research; (5) High Performance Computer Modernization Program; (6) High Energy Laser Program; (7) Mentor Protege Program; (8) University Research Initiative; (9) Foreign Comparative Test Program; and (10) Joint Robotics Program.

The conferees direct the Secretary of Defense to provide notification to Congress prior to the delegation of research, development, test, and evaluation activities and programs from the Office of the Secretary of Defense to a service or other defense component outside of OSD. The conferees direct the Secretary to provide justification for any proposed delegations in the form of a mandated report.

A report on a delegation of authority should include each of the following: (1) an identification of the Secretary of a military department or head of a defense agency or other element of the Department of Defense to whom the delegation is made; (2) an evaluation of how the delegation is expected to improve the efficiency and performance of the program or activity in accomplishing the stated goals and purposes of the program or activity; (3) a description of plans for continued supervision of the program by the Office of the Secretary of Defense to ensure that the program or activity has sufficient resources to accomplish its stated goals and purposes; and (4) an identification of any changes in existing law necessary to support the delegation and a request that such changes be enacted.

The conferees note that any delegation of RDT&E activities or programs by the Secretary of Defense shall be subject to careful congressional scrutiny. Some of the programs proposed for delegation were established at the OSD level by statute and will require changes to such statutes or enactment of specific authorization enabling the Secretary of Defense to delegate the program, while others may involve strong congressional interest. The conferees expect the Secretary of Defense to consider these legal requirements and congressional interests in rendering a decision on devolvement.

Management of the chemical-biological defense program

The conferees have been informed that on September 19, 2002, the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)) approved an acquisition decision memorandum that would reorganize management of the chemical-biological defense program. The new streamlined management structure

would place authority and accountability with specific individuals in an effort to improve the program's efficiency and responsiveness to warfighter and national security needs. Under the revised management structure, a Joint Program Executive Office (JPEO) would be established that would have responsibility for chemical- biological defense acquisition programs and would report through the Army Acquisition Executive to the Defense Acquisition Executive. Responsibility for chemical-biological defense science and technology programs, except those programs separately funded and managed by the Defense Advanced Research Projects Agency (DARPA), would be assigned to the Defense Threat Reduction Agency (DTRA), which would also continue to perform funding management functions under the oversight of the Assistant to the Secretary of Defense (Nuclear and Chemical and Biological Defense Programs) (ATSD(NCB)). Responsibility for overall coordination and integration of all activities within the chemical-biological defense program, to include policy guidance, interagency and international coordination responsibility, and day-to-day oversight, would be exercised by the ATSD(NCB) in accordance with section 1701 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160). The ATSD(NCB) would establish and chair a permanent overarching integrated product team, consisting of representatives from the military services, the Joint Staff, and the Office of the Secretary of Defense, to assist the ATSD(NCB) in this oversight role.

The conferees understand that the Joint Requirements Oversight Council has already established a Joint Requirements Office for Nuclear, Biological and Chemical (NBC) Defense in the Joint Staff, which replaces the current requirements process under the Joint NBC Defense Board and will integrate and establish priorities for chemical-biological defense requirements.

The conferees strongly support the Under Secretary's objective of establishing a streamlined management structure for the chemical-biological defense program that will improve authority and accountability and will ensure that the program is better able to respond to warfighter and national needs. The conferees agree that the establishment of a JPEO responsible for acquisition programs will provide a single, dedicated executive, who will be able to integrate programs and funding across commodity areas and services and effectively link programmatic and acquisition authority. The conferees believe that the JPEO should be established as a joint activity with subordinate program managers drawn from all the military services.

The conferees are concerned, however, about the assignment of responsibility for the science and technology program to DTRA.

The conferees note that the predominant expertise in the chemical-biological defense science and technology program resides in the military departments and particularly in the chemical-biological, medical biological, and medical chemical defense science and technology programs of the Army, which is currently responsible for approximately 70 percent of the program. The conferees are concerned about how this existing technical expertise would continue to be leveraged under a science and technology program managed and executed by DTRA.

The conferees note that, to date, DTRA's direct participation in the chemical-biological defense program has been limited, and a significant increase in DTRA's management and chemical-biological science and technology capabilities would be required to take on the management and execution of the chemical- biological defense science and technology program.

One key attribute of the military departments' research and development laboratories and centers is their close contact with the services in the field that provides a constant awareness of the needs of deployed soldiers, sailors, airmen, and marines. The conferees are concerned about the ability of a separate science and technology program under DTRA to remain focused on acquisition program requirements and the need to meet the needs of the warfighter.

The conferees believe that a close and habitual working relationship between the science and technology community and the acquisition community is necessary for the transition of maturing technologies into acquisition programs. The conferees note the difficulty in transitioning technologies developed under DARPA's biological warfare defense program into acquisition programs. The conferees believe it is important to maintain the close link between the acquisition and science and technology communities under the new program management.

The conferees note further that the congressional defense committees played a major role in establishing a defense-wide, integrated, and coordinated chemical and biological defense program that would meet the needs of U.S. Armed Forces and have closely monitored and maintained an intense interest in this critical program. A principal feature of the program was the establishment in the Office of the Secretary of Defense of a strong focal point for chemical-biological defense to provide overall policy and budget guidance and oversight for the program.

The conferees do not want to prejudge the decision made by the USD(AT&L) and note that appropriate staff agencies have begun work on the detailed plans and procedures required to implement the acquisition decision memorandum. The conferees request that the concerns noted above be take into account in the development of those implementation plans. The conferees direct that the Under Secretary review the implementation plans and procedures with the congressional defense committees before those plans become effective.

Wide bandgap semiconductor electronics

The budget request contained $5.5 million in PE 61153N for basic research and $30.0 million in PE 62712E, $1.4 million in PE 62705A, $3.5 million in PE 62271N, $1.75 million in PE 62204F for applied research in wide bandgap semiconductor electronics.

The House would authorize an increase of $8.0 million in PE 62271N for wide bandgap semiconductor materials technology and an increase of $5.5 million in PE 63175C for silicon carbide-based wide bandgap semiconductor technology.

The Senate amendment would authorize an increase of $2.5 million in PE 62271N for wide bandgap semiconductor materials and devices for application in advanced power electronics, commu-

nications, and sensor systems, $2.5 million for silicon carbide materials and device research, and $1.5 million for advanced semiconductor materials research for high power amplifiers. The amendment would also authorize an increase of $10.0 million in PE 63175C for wide bandgap semiconductor technology.

The conferees agree to authorize $5.5 million in PE 61153N for basic research and $30.0 million in PE 62712E, $1.4 million in PE 62705A, and $1.75 million in PE 62204F for applied research in wide bandgap semiconductor electronics as contained in the budget request. The conferees also agree to authorize increases in PE 62271N of $2.5 million for wide bandgap semiconductor materials and devices, $2.5 million for silicon carbide materials and devices, and $1.5 million for advanced semiconductor materials, and increases in PE 63175C of $2.5 million for silicon carbide-based wide bandgap semiconductor technology and $2.5 million for gallium nitride technology.

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 naval radar systems and other applications with particular emphasis on development of advanced electronic materials to extend the range and sensitivity of radars. The conferees have reviewed the report by the Director of Defense Research and Engineering (DDRE), dated May 28, 2002, that addresses the cooperative program. Collaborating agencies under the overall direction of the DDRE include the Defense Advanced Research Projects Agency (DARPA), the Navy, the Army, the Air Force, and the Missile Defense Agency.

The conferees note that the program focuses on activities needed to accelerate the development, maturation, and transition of technologies for advanced electronic materials to extend the range and sensitivity of naval radars, including radio frequency/microwave and high power wide bandgap semiconductor materials and devices, and reduce the technical risk and expedite the insertion of the technology in military systems. While several insertion opportunities exist across the services, the next generation naval radar is the primary insertion target. To support that development, an objective of the overall wide bandgap program is to demonstrate the ability to produce wide bandgap high power amplifiers that can be expected to meet cost and performance criteria of the Navy's advanced ship-based radar plan for sea-based missile defense. The goal of the program for these devices is to achieve a sufficient level of technology maturity to support the radar's preliminary design review that is now anticipated to occur between fiscal year 2007 and 2008.

The conferees note that the DDRE's report reflected an initial investment in the collaborative program of $54.9 million in fiscal year 2002. The fiscal year 2003 budget request for the program totals $40.7 million, including $30.0 million in DARPA, $3.7 million in the Navy, $1.8 million in the Air Force, $1.4 million in the Army, and $3.9 million for Defense Production Act Title III authority to facilitate the transition of technologies through the establishment of enhanced production capabilities.

The conferees note that this level of funding is not consistent with previous analyses, which have recommended an increased science and technology investment in wide bandgap technology that would total approximately $50 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 and the Department of Defense (DOD) requirements in 2015. The conference agreement increases the investment in the program to the recommended level.

The conferees commend the participating DOD agencies for development of the collaborative program. The conferees place a high priority on the development of the technology for advanced wide bandgap semiconductor materials and devices for future naval radar and other applications and intend to monitor the program closely.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Authorization of Appropriations

Authorization of appropriations (sec. 201)

The Senate bill contained a provision (sec. 201) that would authorize the recommended fiscal year 2003 funding levels for all research, development, test, and evaluation accounts.

The House amendment contained a similar provision.

The conference agreement includes this provision.

Amount for defense science and technology (sec. 202)

The budget request for fiscal year 2003 included an authorization of $9,677.2 million for science and technology programs in the Department of Defense. The Defense Emergency Response Fund request included an authorization of $332.0 million for science and technology programs.

The House bill would authorize $10,350.2 million.

The Senate amendment would authorize $10,155.4 million.

The conferees recommend an authorization of $10,384.7 million for Department of Defense science and technology programs. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Defense health programs (sec. 203)

The budget request for fiscal year 2003 included an authorization of $67.2 million for research, development, test, and evaluation activities for carrying out health care programs, projects, and activities of the Department of Defense.

The House bill and Senate amendment would both authorize the amount of the budget request.

The conferees recommend an authorization of $67.2 million for research, development, test and evaluation activities for carrying out health care programs, projects, and activities of the Department of Defense.

Subtitle B—Program Requirements, Restrictions, and Limitations

RAH–66 Comanche aircraft program (sec. 211)

The House bill contained a provision (sec. 211) that would place a cost cap of $6.0 billion as the total amount that could be spent on the engineering and manufacturing development (EMD) phase of the RAH–66 Comanche aircraft program. The provision would also require an annual Department of Defense Inspector General program review until the EMD phase is completed.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of the Army to provide the Committees on Armed Services of the Senate and House of Representatives with a quarterly report on the progress of the restructured RAH–66 Comanche aircraft program during fiscal year 2003.

The conferees repeat both their strong support for and concern about the RAH–66 Comanche aircraft program as highlighted in the statement of managers accompanying the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107). The conferees believe this aircraft will be a transformational weapon system capable of an array of missions to include manned reconnaissance, light attack, and network-centric warfare. The conferees, however, have been disappointed with the Army's lackluster support in prior years for this program. The Army has consistently failed to provide the appropriate funds required to ensure that the program could meet its earlier established fiscal year 2006 initial operational capability (IOC), resulting in program slips and numerous program restructures.

In the aforementioned statement of managers, the conferees questioned the reliability of any new cost estimates and EMD program milestones and expected an accurate estimate of funds required to complete EMD and the new time line and plan for bringing the Comanche to IOC to be submitted with the fiscal year 2003 budget request. (Section 211 of the House bill addressed this lack of response.)

The Army has finally reacted to this concern and is once again restructuring the program, the sixth such restructuring since fiscal year 1988, with an approximate $4.0 billion infusion of funds to complete the EMD phase of the program. The information the Army has belatedly provided the conferees gives some cause for hope that the program is now more realistically structured and funded to field this critical capability for the Objective Force beginning in fiscal year 2009. The conferees believe the commissioning of a Comanche Independent Review Panel, which contributed to this restructuring, and the Army's due consideration of that panel's recommendations are positive steps. The conferees will closely monitor the upcoming Defense Acquisition Board's decision on the restructured program and subsequent actions related to this program as reflected in the quarterly reports required by this conference. The conferees reiterate their concern that the program remain on schedule during fiscal year 2003 and be adequately funded in the out years to meet the new fiscal year 2009 IOC.

Extension of requirements relating to management responsibility for naval mine countermeasures programs (sec. 212)

The House bill contained a provision (sec. 212) that would extend, through fiscal year 2008, the requirement for the Under Secretary of Defense (Acquisition, Technology, and Logistics) (USD(AT&L)) to have primary responsibility for developing and testing naval mine countermeasures (MCM) systems. The provision would permit waiving that requirement annually, subject to certification by the Secretary of Defense that: (1) the Secretary of the Navy (SECNAV) has submitted an updated mine countermeasures master plan; (2) the budget for that fiscal year proposes sufficient resources for executing that plan; and (3) the Chairman of the Joint Chiefs of Staff (CJCS) concurs with the plan and resources.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Joint Requirements Oversight Council (JROC) to carry out title 10 responsibilities regarding the Secretary of the Navy MCM plan. The amendment would also require the USD(AT&L) to submit a notification to the congressional defense committees if the Navy intends to change the plan and budget that have been certified and submitted to Congress.

The USD(AT&L) letter to Congress, dated February 6, 2002, provided a review of the Navy's fiscal year 2002 MCM plan. That letter stated, "the assessments continue to show that the programmed changes in equipment and force structure will significantly reduce the time required to counter a mine threat and hence, validate the Navy investment strategy." The SECNAV reported in a letter to Congress on March 25, 2002, that "the Commander, Fleet Forces Command has conducted a fleet review of all Mine Countermeasures Plans and Programs (MCM) and Operational Requirements Documents (ORDs) and concurs with all programs and ORDs." In a letter to Congress, dated April 18, 2002, the USD(AT&L) certified the Navy MCM program for fiscal year 2003.

Despite the USD(AT&L) and CJCS reviews and subsequent certification of both the fiscal year 2002 and 2003 SECNAV MCM plans and budget requests, the Navy has recently taken actions without congressional consultation or notification to change those plans and associated programs significantly. These actions occurred after a hearing cycle which included reviews of both MCM plans and programs and the processes for changing those plans and programs.

Recent events have included the following:

(1) Senior Navy officials testified before Congress that congressional consultation and concurrence would be sought prior to removing appropriated and authorized capabilities from Navy ships.

(2) Shortly after the USD(AT&L) submitted the fiscal year 2003 certification, a senior member of the staff of the Chief of Naval Operations, apparently without consultation with the Director of Expeditionary Warfare and without consulting or notifying Congress, issued an order for the DDG–51 program manager to delete certain organic mine countermeasures capability from ships that were nearing delivery and that were

under construction. This action had the effect of making a fundamental change to the programs upon which the USD(AT&L) made his certification.

(3) In August, two senior military officers, without consultation or notification to Congress, issued an order to remove a key MCM system that was included in the approved, certified, appropriated and authorized MCM plan.

The conferees believe that these circumstances are sufficient evidence for their concern regarding the oversight of MCM programs and for requiring that the Department provide closer supervision of the execution of the certified plans and budgets.

Revised requirements for plan for Manufacturing Technology Program (sec. 213)

The House bill contained a provision (sec. 214) that would revise the requirements for the annual plan for the Manufacturing Technology Program (ManTech).

The Senate amendment contained no similar provision.

The Senate recedes.

Advanced SEAL Delivery System (sec. 214)

The Senate bill contained a provision (sec. 212) that would authorize the Secretary of Defense to use any funds that were authorized and appropriated for fiscal year 2002 for Advanced SEAL Delivery System (ASDS) advance procurement, but are no longer needed for that purpose, for fiscal year 2003 ASDS research, development, test and evaluation.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the Secretary of Defense to transfer $13.7 million, which was authorized and appropriated for fiscal year 2002 for ASDS advance procurement, to fiscal year 2003 ASDS research, development, test and evaluation.

Army experimentation program regarding design of the objective force (sec. 215)

The Senate amendment contained a provision (sec. 213) that would require the Secretary of the Army to submit a report to Congress on the details of an Objective Force experimentation program no later than March 30, 2003, and to fund that experimentation program as a separate program element in the fiscal year 2004 budget request submission to Congress.

The House bill contained no similar provision.

The House recedes with an amendment that would extend the date for the report submission to March 31, 2003.

Program to provide Army with self-propelled Future Combat Systems non-line-of-sight cannon indirect fire capability for the objective force (sec. 216)

The budget request contained $475.6 million, composed of $246.5 million in PE 63854A and $229.1 million in PE 64854A for continued development of the Crusader self-propelled artillery system.

The Senate amendment contained a provision (sec. 214) that would move the $475.6 million requested in the fiscal year 2003 budget for the Crusader artillery system to a different budget line—the Army's Future Combat Systems (FCS)—to be used only to meet the Army's organic indirect fire needs. Upon submission of the report to Congress required by the provision, the Secretary of Defense would be allowed to seek to reprogram the funds for Crusader termination costs, for continued research and development of the Crusader artillery system, or for other Army programs identified as the best available alternatives to the Crusader for providing improved indirect fire for the Army. The provision would require the Chief of Staff of the Army to complete a review of the full range of Army programs that could provide improved indirect fire for the Army over the next 20 years and submit his recommendations. The provision would further require an annual report to be submitted to the congressional defense committees on the investments proposed to be made on indirect fire programs for the Army.

The report required by the provision was submitted to Congress by the Chief of Staff of the Army, through the Office of the Under Secretary of Defense for Acquisition, Logistics and Technology on July 26, 2002.

The House bill contained no similar provision, but the report accompanying the bill directed the Secretary of Defense to continue Crusader development until completion of the Army's Analysis of Alternatives in support of the Milestone B decision for Crusader scheduled for the third quarter of fiscal year 2003.

The House recedes with an amendment that would direct the Secretary of Defense to carry out a program to provide the Army, no later than fiscal year 2008, with a self-propelled Future Combat Systems (FCS) Non-Line-of-Sight (NLOS) Cannon to equip the Objective Force.

The conferees have carefully considered the Secretary of Defense's decision to terminate the Crusader Artillery System and the budget amendment request the Administration submitted to the congressional defense committees to transfer the $475.6 million requested for Crusader in the fiscal year 2003 budget request to other programs. The Army Chief of Staff has reported that he "fully supports OSD proposals to accelerate Army precision fire initiatives and further develop other programs to enhance fire support to ground forces. However, the acceleration of existing programs alone will not fully meet the operational requirement for organic, indirect fires by 2008." He recommends funding the fielding of a Future Combat Systems Non-Line-of-Sight Cannon and establishing a networked fires capability by 2008, stating that "we cannot fully employ Objective Force operational concepts without this capability."

The conferees believe that, in order to deliver such a system by 2008, maximum advantage should be taken of technology developed through other programs, such as the composite armored vehicle, Crusader, and the joint United States-United Kingdom Future Scout and Cavalry System.

To reduce risk in this effort, the conferees have authorized increases totaling $293.0 million to the $475.6 million requested for

Crusader in the fiscal year 2003 budget request as reflected in the following program elements:

[In millions of dollars]

PE 62303A Missile Technology: Micro Electro-mechanical Systems (MEMS)	15.0
PE 63005A Combat Vehicle and Automotive Advanced Technology: Future Scout and Cavalry Vehicle Demo	10.0
PE 63645A Future Combat Sys Dem/Val: F 48 NetFires	114.5
PE 63778A MLRS Product Imp. Program:	
HIMARS	10.0
Guided MLRS	45.0
PE 63802A Weapons and Munitions—ADV DEV: Precision Guided Mortar Munitions (PGMM)	10.8
PE 64645A Armored System Modernization: Future Combat System	105.0
PE 63854A Artillery Systems Dem/Val: F 47 FCS NLOS Cannon	368.5
PE 64814A Artillery Munitions—EMD: Excalibur	48.3
PE 64854A Artillery Sys—EMD: Paladin	7.5
PE 23726A Army Field Artillery Data Sys	4.0
PE 23735A Combat Vehicle Improvement Program: Abrams Engine	28.6
PE 35204A Tactical Unmanned Aerial Vehicle	11.4

Prohibition on transfer of Medical Free Electron Laser program (sec. 217)

The Senate amendment contained a provision (sec. 217) that would prohibit the transfer of the Department of Defense Medical Free Electron Laser (MFEL) Program to any other department or agency of the Federal Government.

The House bill contained no similar provision.

The House recedes with a technical amendment.

The conferees note that the MFEL program continues to fund high quality, peer-reviewed research that is oriented towards military medical applications. The conferees believe that the program transfer was inappropriate and, therefore, support the retention and funding of the MFEL program within the Department of Defense.

Littoral combat ship program (sec. 218)

The budget request for fiscal year 2003 included no funding for research and development for a littoral combat ship (LCS). The Senate amendment contained a provision (sec. 219J) that would authorize 4.0 million in PE 63563N to develop requirements for a littoral ship.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize $4.0 million in PE 63563N to develop requirements for a littoral combat ship and would require certain reporting requirements from the Secretary of the Navy.

Subsequent to hearings and markup by the Committees on Armed Services of the Senate and the House of Representatives of the fiscal year 2003 authorization request, Navy officials requested additional funding authorization for research and development of an LCS.

An LCS program may be necessary to provide capabilities to carry out the National Military Strategy. However, neither the Office of the Secretary of Defense, the Joint Chiefs of Staff, nor the Navy has provided any indication that they have completed sufficient work on any number of prerequisites that the Department of Defense (DOD) is required to meet before concluding that new de-

velopment is required to provide the capabilities inherent in an LCS. These include requirements in title 10, United States Code, and internal DOD directives, such as DOD 5000.2–R Mandatory Procedures for Major Defense Acquisition Programs and Chairman, Joint Chiefs of Staff (CJCS) Instruction 3170.01B.

The LCS has not been vetted through the Joint Requirements Oversight Council (JROC) process, particularly regarding possible alternatives and the relative priority to meet valid requirements. This should be completed prior to initiation of any program which is intended to support joint combat operations.

The conferees believe that the Navy needs to assess the adequacy of existing and planned platforms to test the littoral combat ship concept and how these platforms will be used in the development, test, and evaluation of the LCS and its mission modules. The conferees strongly believe that the Navy must capitalize on ongoing and planned experiments, demonstrations, and evaluations of existing, prototype, and experimental hull forms and platforms to better inform the Navy's decisions on the LCS. Some of these have been completed, but others are planned and await modification or construction of the hull form and platform demonstrators.

The conferees are also concerned 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 believe 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 conferees expect the JROC and the Navy to specifically deal with a number of concerns in fulfilling the requirements in the LCS provision. These include:

(1) Assessing the extent to which unmanned systems could be capable of completing the missions instead of a manned LCS vessel. Briefings on the LCS indicate that an LCS would be used for operations determined to be "too risky" for larger surface combatants. This raises questions about the level of risk the Navy has determined to be acceptable for an LCS that is unacceptable for larger surface combatants.

(2) Identifying the threat or threats that have negated the Navy's previous investments in multi-mission ships and made the missions of anti-submarine warfare, anti-surface warfare, and anti-mine warfare "too risky" for these ships. The Navy has invested heavily in providing combatants of all types and displacements with onboard and offboard sensors, weapons, and information connectivity. This investment was directed to ensure that multi-mission ships could operate at any time and in any place.

(3) Determining the level of support from other combatants and auxiliaries that LCS vessels will require, and whether this will lead to altered planning assumptions for sizing the force. An open question regarding a "focused mission" vessel such as an LCS is whether the vessel will be able to operate with impunity in the presence of threats outside its focused mission warfare area. If not, the Navy may have to adjust operating and support concepts in

more significant ways than merely adding LCS vessels to the current battle group.

(4) Identifying the appropriate level of helicopter support in the baseline LCS vessel. The naval helicopter has been a proven key capability for combatant surface ships when conducting the three primary warfare areas stated for LCS. Navy briefings indicate that the LCS will require a helicopter capability to carry out its missions and will operate forward of the battle group. Nevertheless, the Navy appears to have forgotten the lessons learned from the first flight of *Arleigh Burke*-class destroyers and has not included a naval helicopter hangar as a key requirement for the LCS.

(5) Assessing the implications of using and supporting nonmarinized systems as component capabilities on LCS vessels. For example, the Navy has indicated the desire for using OH–58D helicopters on LCS. Although these Army helicopters have flown from Navy ships for short periods, they have limited capabilities for LCS mission areas. Naval helicopters, however, have the durability and system integration required to provide joint and battle group synergism for LCS missions.

(6) Identifying whether there are changes in tactics and procedures which the Navy could apply to current platforms and concepts of operations that would accomplish the envisioned LCS missions without putting additional pressure on an already underfunded ship acquisition plan.

(7) Assessing the assignment of LCS-unique missions to the U.S. Coast Guard, close allies, or coalition partners. If we are to continue assuming joint and coalition warfare, perhaps the U.S. Navy could count on the Coast Guard or smaller navies of allies to contribute more effectively by performing "small ship" mission.

SUBTITLE C—BALLISTIC MISSILE DEFENSE

Report requirements relating to ballistic missile defense programs (sec. 221)

The Senate amendment contained provisions (secs. 222 and 223) that would require the Secretary of Defense to submit to the congressional defense committees reports containing programmatic information on the Ground-based Midcourse and Air-based Boost programs. The Senate amendment also contained a provision (sec. 221) that would require the Department to submit to the congressional defense committees reports containing operational assessments of these programs by the Director of Operational Test and Evaluation (DOT&E) and an annual review of the cost, schedule, and performance criteria of all ballistic missile defense (BMD) programs by the Joint Requirements Oversight Council (JROC).

The House bill contained no similar provision.

The conferees agree that the Department must provide adequate programmatic information on BMD programs to the congressional defense committees and notes that the annual budget justification materials, together with the report on the cost, schedule, testing, and performance goals of BMD programs required by section 232 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), are appropriate vehicles for transmitting such information.

Therefore, the Senate recedes on sections 221, 222 and 223 with an amendment that would require the Secretary of Defense to annually submit to Congress, with the budget justification materials, the performance goals and development baselines for each block of each BMD system that could be fielded and for BMD systems that have been designated by Congress as special interest items. The amendment would require submission of funding profiles (i.e., year-by-year funding estimates) for each block of each BMD system that could be fielded.

Finally, the amendment would require the JROC to perform a one-time review of the cost, schedule, and performance criteria for BMD programs in order to assess the validity of those criteria in relation to military requirements and to include the results of the review with the annual statement of BMD cost, schedule, and performance goals required by the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107).

The conferees believe that a cooperative relationship between the Director of Operational Test and Evaluation and the Missile Defense Agency is and will remain important to successful execution of ballistic missile defense programs. The conferees are concerned that DOT&E reporting on BMD programs, included in the DOT&E annual report dated February 2002, may not have been based on information generated with a sufficient level of interaction between MDA and DOT&E. The conferees are encouraged by recent statements by DOT&E that DOT&E involvement in BMD programs is now acceptable and expect that the Missile Defense Agency will continue to work cooperatively with DOT&E.

Responsibility of Missile Defense Agency for research, development, test, and evaluation related to system improvements of programs transferred to military departments (sec. 222)

The House bill contained a provision (sec. 232) that would amend title 10, United States Code, to require the Director of the Missile Defense Agency to retain responsibility for research, development, test and evaluation related to improvements of missile defense systems and system components that have been transferred to the military departments for procurement and fielding.

The Senate amendment contained no similar provision.

The Senate recedes.

Limitation on obligation of funds for Theater High Altitude Area Defense Program pending submission of required life-cycle cost information (sec. 223)

The Senate amendment contained a provision (sec. 224) that would require the Secretary of Defense to submit to Congress by January 15, 2003, certain types of programmatic information for the Theater High Altitude Area Defense (THAAD) program, including the development schedule and planned procurement schedule. The provision would also require submission of a life cycle cost estimate specifically required by section 232 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) for programs such as THAAD in their Engineering and Manufacturing Development phase. The provision would specify that no more than 50 percent of the amount authorized to be appropriated in fiscal

year 2003 for THAAD may be expended until the congressional defense committees have received the information required by the provision.

The House bill contained no similar provision.

The House recedes with an amendment that would specify that no more than 85 percent of the amount authorized to be appropriated in fiscal year 2003 for THAAD may be obligated until Congress has received the life cycle cost estimate required by last year's National Defense Authorization Act. Other reporting requirements related to THAAD are included in Section 221.

The conferees note that a development schedule and planned procurement schedule need to be developed in order to provide such a life cycle cost estimate. The conferees also recognize that the Missile Defense Agency (MDA) plans to evolve missile defense system capabilities through spiral development and will acquire the ballistic missile defense systems in an evolutionary acquisition process. The conferees expect that MDA will provide the congressional defense committees the basis for understanding the THAAD life cycle cost estimate.

The conferees also note that under the Defense Department's plan for obligation of THAAD funding, the Department should have until February 2003 to submit the required life cycle cost estimate prior to any adverse funding impacts to the THAAD program. Therefore, the conferees expect the life cycle cost estimate to be provided on or before the date of submission of the fiscal year 2004 budget justification materials in February 2003.

Provision of information on flight testing of Ground-based Midcourse National Missile Defense system (sec. 224)

The Senate amendment contained a provision (sec. 227) that would require the Director of the Missile Defense Agency (MDA) to submit to the congressional defense committees a thorough report on each flight test of the Ground-based Midcourse national missile defense system no later than 120 days after the test.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Director of the MDA to communicate to Congress the results of each flight test, including a thorough discussion of the content and objectives of the test, a statement regarding whether each objective was achieved, and a discussion of the reasons, if any, for not achieving the objectives.

The conferees note that the amendment, which does not require a report by a fixed date months after the flight test, would provide the Director of the MDA the flexibility to provide Congress with more complete information in a more timely fashion.

References to new name for Ballistic Missile Defense Organization (sec. 225)

The House bill contained a provision (sec. 233) that would make appropriate conforming changes to reflect the change of the Ballistic Missile Defense Organization's name to the Missile Defense Agency.

The Senate amendment contained a similar provision (sec. 225).

The House recedes with a clarifying amendment.

One-year limitation on use of funds for nuclear armed interceptors (sec. 226)

The Senate amendment contained a provision (sec. 226) that would prevent any funds from being obligated for research, development, test, evaluation, procurement or deployment of nuclear armed interceptors for a missile defense system.

The House bill contained no similar provision.

The House recedes with an amendment that would prohibit obligation of any fiscal year 2003 funds.

Subtitle D—Improved Management of Department of Defense Test and Evaluation Facilities

Department of Defense Test Resource Management Center (sec. 231)

The Senate amendment contained a provision (sec. 231) that would establish a Department of Defense (DOD) Test and Evaluation Resource Enterprise, which would report to the Director of Operational Test and Evaluation.

The House bill contained no similar provision.

The House recedes with an amendment that would establish a DOD Test Resource Management Center. The Test Resource Management Center would be a DOD Field Activity headed by a Director, who would be a three-star officer, and a Deputy Director, who would be a senior civilian with substantial experience in the field of test and evaluation. The Director would be subject to supervision by the Under Secretary of Defense for Acquisition, Technology, and Logistics. The Director would report directly to the Under Secretary without intervening authority.

Under the conference amendment, the Test Resource Management Center would be responsible for developing a strategic plan for DOD test and evaluation resources; reviewing and certifying the adequacy of proposed DOD budgets for test and evaluation activities; and administering the Central Test and Evaluation Investment Program (CTEIP) and the DOD program for test and evaluation science and technology.

The CTEIP and science and technology programs would not be transferred to the Center until the beginning of the first fiscal year after the Department submits a strategic plan for test and evaluation resources to the congressional defense committees. The conferees expect that CTEIP funds will continue to be used to fund the development of critically needed, high priority test and evaluation capabilities for joint and multi-service requirements. The CTEIP program is not intended to be a substitute for adequate funding of service-specific test and evaluation capabilities by the military services.

Objective for institutional funding of test and evaluation facilities (sec. 232)

The Senate amendment contained a provision (sec. 232) that would transfer testing funds from the research and development programs of the military departments and defense agencies to the

major test and evaluation investment accounts of the Department of Defense.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to establish the objective of ensuring that, by fiscal year 2006: (1) the institutional and overhead costs of the Major Range and Test Facility Base (MRTFB) are fully funded through the Department's major test and evaluation investment accounts and other direct appropriations; and (2) no more than the direct costs for the use of the MRTFB facilities and resources are charged to users of the MRTFB.

The conferees expect the Secretary of Defense to submit a budget for fiscal year 2004 that will begin to fund the military departments and defense agency MRTFB institutional programs at a level such as to achieve the above objective by fiscal year 2006.

Uniform financial management system for Department of Defense test and evaluation facilities (sec. 233)

The Senate amendment contained a provision (sec. 234) that would require the Secretary of Defense to implement a single financial management and accounting system for all test and evaluation facilities of the Department of Defense (DOD) within two years after the date of enactment of this Act.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary to implement a single financial management and accounting system for test and evaluation facilities as soon as possible, with the objective that such system be implemented no later than September 30, 2006.

Test and evaluation workforce improvements (sec. 234)

The Senate amendment contained a provision (sec. 235) that would require the Under Secretary of Defense for Acquisition, Technology and Logistics to develop a plan to ensure that the test and evaluation workforce of the Department of Defense (DOD) is of sufficient size and has the expertise needed to ensure that the testing of DOD systems identifies issues of military suitability and effectiveness in a timely and accurate manner.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Compliance with testing requirements (sec. 235)

The Senate amendment contained a provision (sec. 236) that would require the Director of Operational Test and Evaluation to include an assessment of waivers of and deviations from testing requirements in his annual report to Congress.

The House bill contained no similar provision.

The House recedes.

Subtitle E—Other Matters

Pilot programs for revitalizing Department of Defense laboratories (sec. 241)

The House bill contained a provision (sec. 213) that would reauthorize pilot programs intended to revitalize Department of Defense laboratories.

The Senate amendment contained a similar provision (sec. 241) that would reauthorize and expand the same pilot programs.

The House recedes with an amendment that would eliminate the establishment of new excepted service positions under the pilot program.

The conferees are concerned that the Department of Defense has made very limited use of authorities granted under this and other pilot and demonstration programs that could help address personnel and other issues at laboratories and test centers. Congress has provided the Department with considerable legislative authority for personnel reform, which remains unused. It is the intent of Congress that the authority granted to the Secretary under section 342 of the National Defense Authorization Act for Fiscal Year of 1995 (Public Law 103–337) and section 1114 of the National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) be broadly and expansively interpreted by the Secretary and that the Secretary exercises his discretion to the fullest extent of the law to address the unique personnel issues associated with government scientists and engineers. These pilot programs and other demonstration projects should be used to experiment with novel personnel systems, procedures, and new business practices to derive lessons learned and help shape a coordinated strategy to address personnel and laboratory reform issues in the future.

Technology Transition Initiative (sec. 242)

The House bill contained a provision (sec. 215) that would establish a program to accelerate the transition of technologies into fielded defense systems.

The Senate amendment contained a provision (sec. 242) that would establish a similar program.

The House recedes with an amendment that would modify the Technology Transition Initiative and its procedures.

The Technology Transition Initiative establishes a joint funding mechanism for transition projects between the Office of the Secretary of Defense and a military service or defense agency. The Initiative also establishes a Department-wide Technology Transition Council consisting of representatives of the science and technology, acquisition, and operational communities that would advise the Initiative Manager on the Initiative as well as other technology transition issues.

The conferees direct the Initiative Manager to work with the science and technology community and the acquisition community to develop memoranda of agreement, joint funding agreements, and other cooperative arrangements and to utilize innovative contracting arrangements and acquisition procedures to provide for carrying out projects under the Initiative in an efficient manner.

The conferees note that it is the intent of this provision to provide flexibility to the Department regarding the use and activities of the Technology Transition Council. Under this provision, the formal council would meet periodically to discuss technology transition issues, especially those relating to the Initiative and its projects. The organizations represented on the Council, however, are free to designate representatives to support the detailed technical reviews and funding decision-making processes that will be part of the Initiative.

The conferees note that the Technology Transition Initiative does not replace, but complements, the responsibility of the senior acquisition executives of the Department of Defense, the military departments, and the heads of the Defense agencies with research and development responsibilities under section 5358, title 10, United States Code, to ensure that the science and technology programs under their authority are carried out in such manner that will foster the transition of science and technology to higher levels of research, development, test, and evaluation.

The conferees direct the Comptroller General to review and evaluate the Technology Transition Initiative, the Defense Acquisition Challenge Program, and the Small Business Outreach program for combating terrorism. These reviews should occur two years after the enactment of the provisions, so as to provide the Department sufficient time to organize and establish the programs. The reviews should assess the implementation of the programs relative to congressional intent. The reviews should also recommend any necessary changes to improve the programs, including incentives for participation by services and agencies, organizational structure, and changes to the acquisition workforce. For example, the review should assess the cost savings generated by the programs and the use of those savings by participating organizations to support other missions.

Defense Acquisition Challenge Program (sec. 243)

The House bill contained a provision (sec. 216) that would require the Secretary of Defense to establish the Defense Acquisition Challenge Program, a pilot program to promote the insertion of unique and innovative technologies ("challenge proposals") into existing Department of Defense (DOD) acquisition programs.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would provide that the Secretary act through the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)), in carrying out the program. The amendment would provide that the Under Secretary prescribe procedures for the submission of challenge proposals through the unsolicited proposal process or in response to a broad agency announcement issued to solicit challenge proposals. The amendment would also provide that the Under Secretary establish panels to carry out preliminary evaluations of challenge proposals and prescribe criteria to be considered in those evaluations and would establish additional criteria to be considered by the program office and the prime system contractor in consideration of those challenge proposals referred for a full review and evaluation.

The conferees believe that the panels will be an important tool in the preliminary screening and identification of meritorious challenge proposals and that the amended provision would provide the USD(AT&L) the flexibility needed to prescribe proper panel makeup. The composition of the panels may change ranging from a technical level review by knowledgeable scientists and technologists to a very senior level blue ribbon panel, depending on the issue or technology being reviewed. The conferees expect that review panels would take a "best value" approach in evaluation of challenge proposals.

The conferees believe that the use of the broad agency announcement and the unsolicited proposal process under procedures prescribed by the USD(AT&L) will provide the Department the ability to manage the submission of challenge proposals and to identify specific technology areas of interest and areas that could be transitioned rapidly into fielded programs under a broad agency announcement, while at the same time allowing prospective contractors the opportunity to propose innovations for a program at any time under the unsolicited proposal process. The conferees believe that the authority for appropriate DOD officials to identify and refer unsolicited challenge proposals to a panel would permit their expeditious review under appropriate circumstances. Upon completion of a preliminary review by a panel, those challenge proposals with merit would be requested to submit a more detailed proposal to be reviewed by the Government program office and the prime system contractor for the impacted program. The conferees note that the detailed analyses should include a cost estimate and examination of relevant industrial base issues.

The conferees believe that the challenge program could provide an excellent avenue for accelerating the introduction of new and innovative technology into defense acquisition programs and that program offices and prime contractors should be encouraged to incorporate such approaches as new technology insertions by appropriate incentives, such as share-in savings approaches.

The conferees also believe that the Under Secretary should establish procedures for adoption of those extraordinary challenge proposals that, based on their evaluation, promise such far-reaching improvements in performance, affordability, manufacturability, or operational capability that a termination of a contract for the convenience of the Government and an award of a contract for insertion of the technology would be justified.

Encouragement of small businesses and nontraditional defense contractors to submit proposals potentially beneficial for combating terrorism (sec. 244)

The Senate amendment contained a provision (sec. 243) that would establish a program to assist the Department of Defense in utilizing small businesses and nontraditional defense contractors in developing technologies to combat terrorism.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees direct the Department to use all available electronic commerce technology to carry out its activities, including proposal submission, review, response to proposers, and rec-

ommendations within the Department. This is consistent with the Department's efforts to streamline its procedures and make more use of electronic transactions in conducting Department business. The use of these technologies should also address a systemic problem within the Department by making technical proposals and evaluator responses easier to track and document by both contractors and Department of Defense personnel alike.

The conferees direct the Department to use the size standards appropriate for the Small Business Innovative Research program when determining eligibility for participation in the Small Business Outreach Program.

The conferees are concerned with the communication between the various federal agencies responsible for developing technologies to combat terrorism. Therefore, the conferees recommend that the activities of the panel be coordinated with the activities of appropriate federal agencies and the Office of Science and Technology Policy, including the forwarding of proposals not specific to the needs of the Department of Defense to other appropriate federal agencies.

Vehicle fuel cell program (sec. 245)

The Senate amendment contained a provision (sec. 244) that would require the Secretary of Defense to carry out a cost-shared program to develop fuel cell technology for use in Department of Defense vehicles.

The House bill contained no similar provision.

The House recedes with a clarifying amendment that would require the Secretary to carry out the program in coordination with the Department of Energy and other appropriate federal agencies.

Defense nanotechnology research and development program (sec. 246)

The Senate amendment contained a provision (sec. 245) that would establish a Department of Defense nanotechnology research and development program.

The House bill contained no similar provision.

The House recedes with a clarifying amendment that would encourage the Department of Defense to coordinate its nanotechnology research activities with the National Nanotechnology Initiative.

The conferees note that there are many ongoing activities in the Defense Advanced Research Projects Agency and the military services that are attempting to exploit the promise of nanotechnology to develop new military capabilities, for example in biosensing, smart materials, computing, and nanoelectronics. The conferees urge the Department to leverage these activities in developing the coordinated research program. In particular, the conferees direct the Department to capitalize on the special technical area review on nanoelectronics by the Department's Advisory Group on Electronic Devices as it works to develop a research portfolio, investment plan, and transition strategy in this important technical area.

Activities of the Defense Experimental Program to Stimulate Competitive Research (sec. 247)

The Senate amendment contained a provision (sec. 246) that would modify the Defense Experimental Program to Stimulate Competitive Research (DEPSCoR) and to require a National Research Council assessment of the program.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees direct the Secretary of Defense to continue to support the DEPSCoR effort to develop new defense research capabilities across the Nation. The conferees encourage the Secretary to continue to support activities that will develop world-class researchers in DEPSCoR states and to work closely with the individual states' planning committees to ensure that the program supports the development of defense research infrastructure.

Four-year extension of authority of DARPA to award prizes for advanced technology achievements and additional authority of military departments and Defense Agencies to award prizes for achievements in promoting education (sec. 248)

The Senate amendment contained a provision (sec. 247) that would reauthorize the Defense Advanced Research Projects Agency (DARPA) to award competitive prizes for advanced technology achievements.

The House bill contained no similar provision.

The House recedes with an amendment that would modify the reporting requirements related to the authority.

The conferees note that competitive prizes have been used successfully in the past to support the development of advanced technologies and have been endorsed by the National Academy of Engineering. The conferees support DARPA's interest in utilizing this authority in the future.

The conferees direct the Director of DARPA to address the whole area of competitive prizes seriously and to develop an overall program rather than a limited "one-shot" approach to the use of the authority. This includes fulfilling the reporting requirements included in the provision; conducting a market survey of those corporations and other entities who might want to participate in such an initiative; coordinating with the military services on the most relevant and promising technical areas in which to run competitions; and establishing a competitive prize program that supports the National Academy of Engineering's finding that prize contests have the ability "to attract a broader spectrum of ideas and participants" to the pursuit of scientific and technological objectives "by reducing the costs and other bureaucratic barriers to participation by individuals or firms."

The conferees urge the services to make use of similar prize authority granted to the service secretaries by the provision. The conferees believe that service-sponsored programs to promote science, math, and engineering can provide a positive contribution to communities and would help increase national emphasis on the role of science, math, and technology education in meeting long-term national defense needs.

The conferees note that the Army's eCybermission program to establish a nationwide math, science, and technology competition for elementary and secondary schools is an excellent example of this type of effort. The conferees urge the Secretary of the Army to make use of these authorities to continue the eCybermission program.

Plan for five-year program for enhancement of measurement and signatures intelligence capabilities of the United States through incorporation of results of basic research on sensors (sec. 249)

The Senate amendment contained a provision (sec. 1038) that would require the Director of the Central Measurement and Signatures Intelligence Office to submit a plan for a five-year program for incorporating the results of basic research on sensors into the measurement and signatures intelligence systems fielded by the Federal Government.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to submit the plan.

LEGISLATIVE PROVISIONS NOT ADOPTED

Aerospace Relay Mirror System demonstration

The Senate amendment contained a provision (sec. 219I) that would authorize funding for an Aerospace Relay Mirror System demonstration.

The House bill contained no similar provision.

The Senate recedes. By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Agroterrorist attacks

The Senate amendment contained a provision (sec. 219E) that would authorize $1.0 million for research and analysis of efforts to counter potential agroterrorist attacks.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Analysis of emerging threats

The Senate amendment contained a provision (sec. 216) that would authorize funding for analysis of emerging threats.

The House bill contained no similar provision.

The Senate recedes.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Army radar power technology

The Senate amendment contained a provision (sec. 219A) that would authorize funding for a radar power technology for the Army.

The House bill contained no similar provision.

The Senate recedes. By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Aviation-shipboard information technology initiative

The Senate amendment contained a provision (sec. 219H) that would authorize, of the funds authorized to be appropriated within Research, Development, Test and Evaluation, Navy, up to $8.2 million for the aviation-shipboard information technology initiative.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Basic seismic research program for support of national requirements for monitoring nuclear explosions

The Senate amendment contained a provision (sec. 211) that would require the Secretary of the Air Force to manage the Department of Defense program for basic seismic research in support of national requirements for monitoring nuclear explosions. The provision would also authorize $20.0 million for this seismic research program.

The House bill contained no similar provision.

The Senate recedes.

The conferees note that the Department of Defense is planning to transfer management of the research program to support national requirements for monitoring nuclear explosions from the Defense Threat Reduction Agency to the Air Force and the Army. The conferees are concerned that, while the requirements for monitoring nuclear explosions have become significantly more challenging since the mid–1990s, management of and resources for the research program to support these national requirements have been neither stable nor sufficient since that time. Congress has repeatedly appropriated additional funds above the budget request levels for this research program.

Therefore, the conferees direct the Secretary of Defense to submit a report to the congressional defense committees by February 1, 2003, describing how the management of and resources for this research program will support the national requirements for monitoring nuclear explosions and ensure that the United States is able to meet these requirements.

Critical infrastructure protection

The Senate amendment contained a provision (sec. 219B) that would authorize funding for critical infrastructure protection.

The House bill contained no similar provision.

The Senate recedes.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

DDG optimized manning initiative

The Senate amendment contained a provision (sec. 219D) that would authorize an additional $2.5 million in PE 64307N for the DDG optimized manning initiative.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Demonstration of renewable energy use

The Senate amendment contained a provision (sec. 218) that would authorize an additional $2.5 million in PE 64710N to continue a demonstration program of renewable energy use, rather than in PE 63508N.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Full-scale high-speed permanent magnet generator

The Senate amendment contained a provision (sec. 219G) that would authorize an additional $1.0 million in PE 63123N to develop and demonstrate a full-scale, high-speed, permanent magnet generator.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Increased investment in test and evaluation facilities

The Senate amendment contained a provision (sec. 233) that would increase the amount authorized to be appropriated for investment in Department of Defense test and evaluation facilities.

The House bill contained no similar provision.

The Senate recedes.

The amounts authorized for investment in test and evaluation facilities are reflected in the appropriate accounts.

Laser welding and cutting demonstration

The Senate amendment contained a provision (sec. 215) that would authorize an additional $6.0 million in PE 62123N for laser welding and cutting demonstration, rather than in PE 63508N.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Limitation on obligation of funds for procurement of Patriot (PAC–3) missiles pending submission of required certification

The House bill contained a provision (sec. 231) that would prevent obligation of funds for procurement of PAC–3 missiles pending submission of criteria to the congressional defense committees for the transfer of missile defense programs from the Missile Defense Agency (MDA) to the military departments and certification by the Secretary of Defense that those criteria have been met for the PAC–3 program. The criteria and certification are required by sections 224(b)(2) and 224(c), respectively, of title 10, United States Code.

The Senate amendment contained no similar provision.

The House recedes.

In its budget submission for fiscal year 2003, the Department of Defense proposed transferring the PAC–3 program from the MDA to the Army. The conferees understand that the Department has decided not to transfer the PAC–3 program, pending full agreement within the Department on the appropriate criteria to establish prior to the transfer. Furthermore, the conferees understand that such criteria, as well as the appropriate certification, will be submitted to Congress prior to proposing such a transfer in the future. Based on this, the conferees consider the House provision to be unnecessary at present.

The conferees strongly support the PAC–3 program and expect that, prior to transferring this or any other program from MDA to the services, the Department will establish appropriate criteria to ensure that the programs are adequately funded, managed, upgraded, and supported over time.

Report on implementation of Defense Science Board recommendations

The Senate amendment contained a provision (sec. 237) that would require the Secretary of Defense to report to the congressional defense committees on the implementation of the recommendations of the December 2000 report of the Defense Science Board Task Force on Test and Evaluation Capabilities.

The House bill contained no similar provision.

The Senate recedes.

Theater Aerospace Command and Control Simulation Facility upgrades

The Senate amendment contained a provision (sec. 219C) that would authorize $2.5 million for Theater Aerospace Command and Control Simulation Facility (TACCSF) upgrades.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Very high speed support vessel for the Army

The Senate amendment contained a provision (sec.219F) that would increase the amount authorized to be appropriated for research, development, test, and evaluation for the Army by $5.5 mil-

lion for the development of a prototype composite hull design to meet the theater support vessel requirement. The provision would offset this increase by a reduction of $5.5 million authorized to be appropriated for research, development, test, and evaluation for the Navy for the submarine tactical warfare program.

The House bill contained no similar provision.

The Senate recedes on the provision.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

TITLE III—OPERATION AND MAINTENANCE

Overview

The President's budget request for fiscal year 2003 included $129.8 billion for operation and maintenance programs and $3.3 billion for working capital fund accounts.

The budget request also included $20.1 billion in the operation and maintenance title for the Defense Emergency Response Fund (DERF). Of this amount, $10.1 billion was requested for specific programs and $10.0 billion was requested as unspecified contingency funding for continuing the war on terrorism into fiscal year 2003.

The House bill would authorize $130.4 billion for operation and maintenance accounts and $2.4 billion for working capital fund accounts.

The Senate amendment would authorize $129.5 billion for operation and maintenance accounts and $2.6 billion for working capital fund accounts.

The conferees recommend an authorization of $129.1 billion for the operation and maintenance accounts and $2.6 billion for the working capital fund accounts of the Department of Defense for fiscal year 2003.

The amounts recommended in this title include two reductions discussed more fully in title X of this Act, one for improved management of services contracts and one for reductions in proposed information technology modernization prior to design of a comprehensive financial management structure. For operation and maintenance, the conferees agree to a reduction of $494.1 million for savings from services contracts and $51.6 million from financial management information technology systems.

The conferees agree to a reduction of $654.4 million in working capital funds, including a $328.0 million increase (as requested in the DERF) for renovation and reconstruction of the Pentagon, a decrease of $839.1 million for changes in the accounting structure for health and retirement benefits that were not adopted (discussed more fully below), a decrease of $148.6 million from financial management information technology systems, and an increase of $5.3 million as requested in the DERF.

The House bill, the Senate amendment, and the conference agreement transfer the funding requested in the DERF to the appropriate accounts throughout the Department of Defense. The authorization of appropriations for the unspecified $10.0 billion for continuing the war on terrorism, which would fund the costs of on-

going military operations as well as the additional pay and benefits of mobilized guard and reserve personnel, has been transferred to title XV of this Act.

The conferees' actions on the $10.1 billion in funding for the other portion of the DERF are reflected in the tables throughout this report which describe the accounts to which those funds were transferred.

The budget request also proposed to change the accounting structure for various health and retirement benefits of federal civilian employees to an accrual basis. As discussed in the House and Senate reports, Congress did not agree with this proposed change. The operation and maintenance accounts in the House bill, the Senate amendment, and the conference agreement have been reduced by $2.3 billion to reflect the appropriate funding levels for defense programs under current accounting procedures. The authorizations for revolving and management funds in this title have been reduced by $839.1 million for this same reason. These reductions would not entail any change to the benefits of federal civilian employees funded by either direct appropriations or through the working capital funds.

NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003

Title III -- OPERATION AND MAINTENANCE	Authorization Request	House Authorization	Senate Authorization	Conference Change	Conference Authorization
Operation and Maintenance, Army	24,581,055	24,174,003	24,171,542	-658,804	23,922,251
Operation and Maintenance, Navy	29,028,813	29,434,126	29,370,461	236,126	29,264,939
Operation and Maintenance, Marine Corps	3,357,952	3,599,912	3,558,732	201,684	3,559,636
Operation and Maintenance, Air Force	27,304,623	27,816,684	27,442,964	114,865	27,419,488
Operation and Maintenance, Defense-Wide	14,515,304	14,375,037	14,482,266	-369,994	14,145,310
Operation and Maintenance, Army Reserve	1,923,330	1,918,110	1,956,610	61,780	1,985,110
Operation and Maintenance, Navy Reserve	1,165,961	1,233,759	1,233,759	67,798	1,233,759
Operation and Maintenance, Marine Corps Reserve	185,532	185,532	190,532	4,000	189,532
Operation and Maintenance, Air Force Reserve	2,190,917	2,194,719	2,165,004	-30,313	2,160,604
Operation and Maintenance, Army National Guard	4,136,822	4,300,767	4,498,767	18,245	4,155,067
Operation and Maintenance, Air National Guard	4,150,961	4,077,845	4,114,910	-46,151	4,104,810
Office of the Inspector General	163,440	155,165	155,165	-8,275	155,165
US Court of Appeals, Armed Forces	9,925	9,614	9,614	-311	9,614
Environmental Restoration, Army	395,900	395,900	395,900	0	395,900
Environmental Restoration, Navy	256,948	256,948	256,948	0	256,948
Environmental Restoration, Air Force	389,773	389,773	389,773	0	389,773
Environmental Restoration, Defense	23,498	23,498	23,498	0	23,498
Environmental Restoration, Formerly Used Defense Sites	212,102	212,102	252,102	40,000	252,102
Overseas Humanitarian, Disaster & Civic Aid	58,400	58,400	58,400	0	58,400
Drug Interdiction & Counter-Drug Activities, Defense	848,907	848,907	873,907	11,000	859,907
Payment to Kaho'olawe Island Fund	25,000	25,000	25,000	0	25,000

NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003

	Authorization Request	House Authorization	Senate Authorization	Conference Change	Conference Authorization
Defense Health Program	14,360,271	14,242,541	14,202,441	-237,233	14,123,038
Cooperative Threat Reduction	416,700	416,700	416,700	0	416,700
Overseas Contingency Operations Transfer Fund	50,000	0	50,000	-32,156	17,844
Support for International Sporting Competitions	19,000	19,000	19,000	0	19,000
Department of Defense Travel	0	0	-159,790	0	0
Foreign Currency Fluctuations	0	0	-615,200	0	0
Subtotal OPERATION AND MAINTENANCE	**129,771,134**	**130,364,042**	**129,539,005**	**-627,739**	**129,143,395**
Defense Emergency Response Fund	20,055,000	0	0	-20,055,000	0
TOTAL O&M and DERF	**149,826,134**	**130,364,042**	**129,539,005**	**-20,682,739**	**129,143,395**
REVOLVING AND MANAGEMENT FUNDS					
Pentagon Reservation Maintenance Revolving Fund	0	0	328,000	328,000	328,000
Defense Working Capital Funds	1,341,970	508,167	387,156	-954,814	387,156
National Defense Sealift Fund	934,129	934,129	934,129	0	934,129
Defense Commissary Working Capital Fund	996,789	996,789	969,200	-27,589	969,200
Total REVOLVING AND MANAGEMENT FUNDS	**3,272,888**	**2,439,085**	**2,618,485**	**-654,403**	**2,618,485**

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	Operation and Maintenance, Army					
	LAND FORCES					
010	DIVISIONS	1,425,204	1,425,204	1,425,204	0	1,425,204
	Cold Weather Clothing (ECWCS)		8,000	0	0	0
	Hydration on the move system (CamelBak)	0	4,110	0	2,000	2,000
020	CORPS COMBAT FORCES	424,191	424,191	424,191	0	424,191
030	CORPS SUPPORT FORCES	361,001	361,001	361,001	0	361,001
040	ECHELON ABOVE CORPS SUPPORT FORCES	405,752	405,752	405,752	0	405,752
050	LAND FORCES OPERATIONS SUPPORT	1,115,776	1,115,776	1,115,776	0	1,115,776
	Combat training center improvements	0	0	1,200	0	0
	LAND FORCES READINESS					
060	FORCE READINESS OPERATIONS SUPPORT	1,529,998	1,529,998	1,529,998	0	1,529,998
	Battlefield mobility enhancers (M-Gators)	0	4,000	0	2,000	2,000
	Integrated training area management	0	0	15,700	1,500	1,500
	Live-fire range improvements/ training range modernization	0	32,000	13,200	3,700	3,700
60	Physical security equipment (DERF)	0	76,900	76,900	0	0
	Physical security equipment (Reduction to request)	0	0	0	0	0
	Physical security equipment (Transfer to OPA)	0	-76,900	0	0	0
60	Alternate National Military Command Center (DERF)		44,000	44,000	44,000	44,000
60	TROJAN network control center (DERF)		2,000	2,000	2,000	2,000
60	Information operations team (DERF)		0	5,000	0	0
070	LAND FORCES SYSTEMS READINESS	491,947	491,947	491,947	0	491,947
080	LAND FORCES DEPOT MAINTENANCE	808,666	808,666	808,666	0	808,666
	Army Aviation warfighting simulation center		4,000	0	0	0

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	LAND FORCES READINESS SUPPORT					
090	BASE OPERATIONS SUPPORT	3,207,409	3,207,409	3,207,409	0	3,207,409
	HQ/USARSO lease cost increase	0	-2,550	0	0	0
	Utilities privatization	0	0	-12,992	0	0
100	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (OPERATING FORCES)	1,146,516	1,146,516	1,146,516	0	1,146,516
110	MANAGEMENT & OPERATIONAL HEADQUARTERS	297,834	297,834	297,834	0	297,834
120	UNIFIED COMMANDS	83,961	83,961	83,961	0	83,961
120	Counter-terrorism/force protection personnel (DERF)		9,400	9,400	9,400	9,400
130	MISCELLANEOUS ACTIVITIES	1,607,610	1,607,610	1,607,610	0	1,607,610
	Nuclear Posture Review - Info Systems Security Program (DERF)		15,000	0	15,000	15,000
	TOTAL, BA 01: OPERATING FORCES	**12,905,865**	**13,025,825**	**13,060,273**	**79,600**	**12,985,465**
	MOBILITY OPERATIONS					
140	STRATEGIC MOBILIZATION	365,257	365,257	365,257	0	365,257
150	ARMY PREPOSITIONED STOCKS	158,237	158,237	158,237	0	158,237
160	INDUSTRIAL PREPAREDNESS	9,497	9,497	9,497	0	9,497
170	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (MOBILITY OPERATIONS)	11,473	11,473	11,473	0	11,473
	TOTAL, BA 02: MOBILIZATION	**544,464**	**544,464**	**544,464**	**0**	**544,464**
	ACCESSION TRAINING					
180	OFFICER ACQUISITION	88,026	88,026	88,026	0	88,026
190	RECRUIT TRAINING	20,197	20,197	20,197	0	20,197

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
200	ONE STATION UNIT TRAINING	22,486	22,486	22,486	0	22,486
210	SENIOR RESERVE OFFICERS' TRAINING CORPS	209,550	209,550	209,550	0	209,550
220	BASE OPERATIONS SUPPORT (ACCESSION TRAINING)	89,214	89,214	89,214	0	89,214
230	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (ACCESSION TRAINING)	56,754	56,754	56,754	0	56,754
	Army Depot Apprenticeship Program		10,000	0	0	0
	Anniston Cooperative Program		2,000	0	0	0
	BASIC SKILL/ ADVANCE TRAINING					
240	SPECIALIZED SKILL TRAINING	365,041	365,041	365,041	0	365,041
240	Army language program, Army TIARA (DERF)		19,500	19,500	19,500	19,500
240	Contract linguists-force protection, TIARA (DERF)		9,270	9,400	9,400	9,400
240	Contract linguists-interrogators, TIARA (DERF)		5,000	5,000	5,000	5,000
240	Classified (DERF)		2,300	2,300	2,300	2,300
	SCOLA language training		0	0	1,000	1,000
250	FLIGHT TRAINING	402,481	402,481	457,481	0	402,481
260	PROFESSIONAL DEVELOPMENT EDUCATION	133,572	133,572	133,572	0	133,572
270	TRAINING SUPPORT	431,508	431,508	431,508	0	431,508
280	BASE OPERATIONS SUPPORT (BASIC SKILL/ADVANCED TRAINING)	1,006,102	1,006,102	1,006,102	0	1,006,102
290	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (BASIC SKILL/ADV TRAINING)	351,864	351,864	351,864	0	351,864
	RECRUITING/OTHER TRAINING					
300	RECRUITING AND ADVERTISING	458,788	458,788	455,788	-3,000	455,788
310	EXAMINING	87,568	87,568	87,568	0	87,568

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
320	OFF-DUTY AND VOLUNTARY EDUCATION	208,860	208,860	208,860	0	208,860
330	CIVILIAN EDUCATION AND TRAINING	99,193	99,193	99,193	0	99,193
340	JUNIOR RESERVE OFFICERS' TRAINING CORPS	97,512	97,512	97,512	0	97,512
350	BASE OPERATIONS SUPPORT (RECRUIT/OTHER TRAINING)	250,316	250,316	250,316	0	250,316
	Utilities privatization		0	-3,953	0	0
	TOTAL, BA 03: TRAINING AND RECRUITING	**4,379,032**	**4,427,102**	**4,463,279**	**34,200**	**4,413,232**
	SECURITY PROGRAMS					
360	SECURITY PROGRAMS	572,013	572,013	619,513	0	572,013
360	CONUS support - TIARA (DERF)		2,000	2,000	2,000	2,000
360	Battle space characteristics (DERF)		2,000	2,000	2,000	2,000
360	Security clearance backlog (DERF)		10,000	10,000	10,000	10,000
360	Information dominance support (DERF)		1,000	1,000	1,000	1,000
	LOGISTICS OPERATIONS					
370	SERVICEWIDE TRANSPORTATION	608,608	608,608	608,608	-10,000	598,608
380	CENTRAL SUPPLY ACTIVITIES	547,994	547,994	547,994	0	547,994
390	LOGISTICS SUPPORT ACTIVITIES	356,424	356,424	356,424	0	356,424
	Anti-corrosion product testing		0	1,000	1,000	1,000
	AIT/RFID for maintenance		9,000	0	2,000	2,000
	AIT/RFID for pre-positioned stocks		8,000	0	0	0
	EMS and point-to-point wiring and signal system		6,000	0	2,000	2,000
400	AMMUNITION MANAGEMENT	311,789	311,789	311,789	0	311,789
	Corrosion Control		12,000	6,000	3,000	3,000
	SERVICEWIDE SUPPORT					

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
410	ADMINISTRATION	638,845	638,845	638,845	0	638,845
410	Critical infrastructure protection (DERF)		600	600	600	600
420	SERVICEWIDE COMMUNICATIONS	655,796	655,796	655,796	0	655,796
420	CONUS support - JMIP (DERF)		5,000	5,000	5,000	5,000
420	Collaboration planning/enablers (DERF)		2,500	2,500	2,500	2,500
420	CONUS support (DERF)		500	500	500	500
420	Computer network defense countermeasures (DERF)		4,600	4,600	4,600	4,600
420	Monitoring Army websites (DERF)		1,700	1,700	1,700	1,700
420	Intrusion detection systems (DERF)		1,500	1,500	1,500	1,500
430	MANPOWER MANAGEMENT	245,901	245,901	245,901	0	245,901
440	OTHER PERSONNEL SUPPORT	204,749	204,749	204,749	0	204,749
450	OTHER SERVICE SUPPORT	623,408	623,408	623,408	0	623,408
460	ARMY CLAIMS	112,215	112,215	112,215	0	112,215
470	REAL ESTATE MANAGEMENT	54,282	54,282	54,282	0	54,282
480	BASE OPERATIONS SUPPORT (SERVICEWIDE SUPPORT)	1,298,623	1,298,623	1,298,623	0	1,298,623
	Utilities privatization		0	-12,791	0	0
490	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (SERVICEWIDE SUPPORT)	257,333	257,333	343,338	0	257,333
	SUPPORT OF OTHER NATIONS					
500	INTERNATIONAL MILITARY HEADQUARTERS	205,623	205,623	205,623	0	205,623
510	MISC. SUPPORT OF OTHER NATIONS	58,091	58,091	58,091	0	58,091
520	EXPANSION OF NATO	0	0	0	0	0
	TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**6,751,694**	**6,818,094**	**6,910,808**	**29,400**	**6,781,094**

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	Legislative provisions not proposed		0	-7,500	-7,500	-7,500
	Civilian personnel accrual accounting adjustment		-612,382	-612,382	-612,382	-612,382
	Contract services		0	-192,500	-135,882	-135,882
	Woodlawn Road relocation study		0	5,000	5,000	5,000
	Army museum activation		0	100	0	0
	BRAC Preparation Funds		-24,100	0	0	0
	Global Command Support System		-5,000	0	0	0
	Civilian personnel transferred to NORTHCOM		0	0	-3,240	-3,240
	Depot maintenance - excess carryover		0	0	-48,000	-48,000
	Total Operation and Maintenance, Army	**24,581,055**	**24,174,003**	**24,171,542**	**-658,804**	**23,922,251**
	Operation and Maintenance, Navy					
	AIR OPERATIONS					
010	MISSION AND OTHER FLIGHT OPERATIONS	3,247,197	3,247,197	3,247,197	0	3,247,197
020	FLEET AIR TRAINING	1,030,024	1,030,024	1,030,024	0	1,030,024
030	INTERMEDIATE MAINTENANCE	69,945	69,945	69,945	0	69,945
040	AIR OPERATIONS AND SAFETY SUPPORT	109,072	109,072	109,072	0	109,072
050	AIRCRAFT DEPOT MAINTENANCE	785,052	785,052	785,052	0	785,052
	AV-8A engine life maintenance program		2,000	0	0	0
060	AIRCRAFT DEPOT OPERATIONS SUPPORT	55,930	55,930	55,930	0	55,930
	SHIP OPERATIONS					
070	MISSION AND OTHER SHIP OPERATIONS	2,442,911	2,442,911	2,442,911	0	2,442,911
080	SHIP OPERATIONAL SUPPORT AND TRAINING	589,655	589,655	589,655	0	589,655
	Fleet training resource strategy		0	15,000	0	0

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
80	Comm/data backup Commander Naval Security Group (DERF)		5,000	5,000	5,000	5,000
80	Cryptologic direct support (DERF)		2,000	2,000	2,000	2,000
090	INTERMEDIATE MAINTENANCE	406,251	406,251	406,251	0	406,251
100	SHIP DEPOT MAINTENANCE	3,536,452	3,536,452	3,626,447	0	3,536,452
	LHA stability improvement alterations		57,000	0	0	0
110	SHIP DEPOT OPERATIONS SUPPORT	1,324,577	1,324,577	1,324,577	0	1,324,577
	COMBAT OPERATIONS/SUPPORT					
120	COMBAT COMMUNICATIONS	424,042	424,042	424,042	0	424,042
	Improved shipboard combat information center		0	8,000	0	0
	Submarine broadcast support		0	1,000	0	0
130	ELECTRONIC WARFARE	15,485	15,485	15,485	0	15,485
140	SPACE SYSTEMS & SURVEILLANCE	205,001	205,001	205,001	0	205,001
150	WARFARE TACTICS	166,186	166,186	166,186	0	166,186
	Fleet range operations support		0	8,000	0	0
160	OPERATIONAL METEOROLOGY & OCEANOGRAPHY	273,412	273,412	273,412	0	273,412
170	COMBAT SUPPORT FORCES	767,833	767,833	767,833	0	767,833
170	Commo/data backup - ONI (DERF)		2,000	2,000	2,000	2,000
170	Data backup/hardware/software (DERF)		2,000	2,000	2,000	2,000
170	Classified (DERF)		1,000	1,000	1,000	1,000
170	SCI GCCS I3 (DERF)		3,800	3,800	3,800	3,800
170	GENSER GCCS I3 (DERF)		5,400	5,400	5,400	5,400
170	JDIS / LOCE / CENTRIX (DERF)		5,250	5,300	5,300	5,300
170	Collection management application upgrades (DERF)		1,500	1,500	1,500	1,500
170	CMMA hardware, bandwidth (DERF)		22,500	22,500	22,500	22,500
170	JWICS connectivity (DERF)		5,500	5,500	5,500	5,500

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
170	Joint commo/data backup (DERF)		7,000	7,000	7,000	7,000
170	Intelligence analysts (DERF)		3,000	3,000	3,000	3,000
180	EQUIPMENT MAINTENANCE	169,941	169,941	169,941	0	169,941
190	DEPOT OPERATIONS SUPPORT	1,676	1,676	1,676	0	1,676
	WEAPONS SUPPORT					
200	CRUISE MISSILE	162,185	162,185	162,185	0	162,185
210	FLEET BALLISTIC MISSILE	806,150	806,150	806,150	0	806,150
210	Strategic security forces, technicians (DERF)		7,000	7,000	7,000	7,000
220	IN-SERVICE WEAPONS SYSTEMS SUPPORT	43,314	43,314	43,314	0	43,314
230	WEAPONS MAINTENANCE	420,864	420,864	420,864	0	420,864
	Mark-45 overhauls		0	5,000	5,000	5,000
230	Pioneer (DERF)		6,000	6,000	6,000	6,000
	WORKING CAPITAL FUND SUPPORT					
240	NWCF SUPPORT	0	0	0	0	0
	BASE SUPPORT					
250	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,153,732	1,153,732	1,153,732	0	1,153,732
250	Site improvement (DERF)		219,200	219,200	219,200	219,200
250	Facilities sustainment, restoration and modernization (DERF)		2,500	2,500	2,500	2,500
260	BASE SUPPORT	2,748,739	2,748,739	2,748,739	0	2,748,739
260	Security forces and technicians (DERF)		143,096	143,096	143,096	143,096
260	Law enforcement (DERF)		32,573	32,573	32,573	32,573
260	Management and planning (DERF)		1,712	1,712	1,712	1,712
260	Shipyard security forces & technicians (DERF)		28,000	28,000	28,000	28,000

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
260	Base support services (DERF)		38,500	38,500	38,500	38,500
	TOTAL, BA 01: OPERATING FORCES	**20,955,626**	**21,559,157**	**21,627,202**	**549,581**	**21,505,207**
	READY RESERVE AND PREPOSITIONING FORCES					
270	SHIP PREPOSITIONING AND SURGE	528,795	528,795	528,795	0	528,795
	ACTIVATIONS/INACTIVATIONS					
280	AIRCRAFT ACTIVATIONS/INACTIVATIONS	3,432	3,432	3,432	0	3,432
290	SHIP ACTIVATIONS/INACTIVATIONS	156,037	156,037	156,037	0	156,037
	Ship disposal project	0	0	0	5,000	5,000
	MOBILIZATION PREPAREDNESS					
300	FLEET HOSPITAL PROGRAM	25,561	25,561	25,561	0	25,561
300	Medical operations (DERF)		4,000	4,000	4,000	4,000
310	INDUSTRIAL READINESS	1,207	1,207	1,207	0	1,207
320	COAST GUARD SUPPORT	18,759	18,759	18,759	0	18,759
	TOTAL, BA 02: MOBILIZATION	**733,791**	**737,791**	**737,791**	**9,000**	**742,791**
	ACCESSION TRAINING					
330	OFFICER ACQUISITION	115,943	115,943	115,943	0	115,943
340	RECRUIT TRAINING	10,413	10,413	10,413	0	10,413
350	RESERVE OFFICERS TRAINING CORPS	83,461	83,461	83,461	0	83,461
	BASIC SKILLS AND ADVANCED TRAINING					
360	SPECIALIZED SKILL TRAINING	351,114	351,114	351,114	0	351,114
360	Pre-deployment training (DERF)		1,000	1,000	1,000	1,000
360	Imagery training initiative (DERF)		1,000	1,000	1,000	1,000

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
370	FLIGHT TRAINING	371,096	371,096	371,096	0	371,096
380	PROFESSIONAL DEVELOPMENT EDUCATION	137,801	137,801	137,801	0	137,801
390	TRAINING SUPPORT	218,765	218,765	218,765	0	218,765
	Navy aviation depot apprenticeship program		6,000	0	0	0
	Navy shipyard apprenticeship program		6,000	0	5,000	5,000
	RECRUITING, AND OTHER TRAINING AND EDUCATION					
400	RECRUITING AND ADVERTISING	257,292	257,292	257,292	0	257,292
410	OFF-DUTY AND VOLUNTARY EDUCATION	102,643	102,643	102,643	0	102,643
420	CIVILIAN EDUCATION AND TRAINING	75,178	75,178	75,178	0	75,178
430	JUNIOR ROTC	35,358	35,358	35,358	0	35,358
	Naval sea cadet corps		1,000	0	1,000	1,000
	IMET Funding		-4,930	0	0	0
	BASE SUPPORT					
440	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	224,764	224,764	224,764	0	224,764
440	Site improvement (DERF)		42,000	42,000	42,000	42,000
450	BASE SUPPORT	375,698	375,698	375,698	0	375,698
450	Security forces and technicians (DERF)		1,500	1,500	1,500	1,500
	TOTAL, BA 03: TRAINING AND RECRUITING	**2,359,526**	**2,413,096**	**2,405,026**	**51,500**	**2,411,026**
	SERVICEWIDE SUPPORT					
460	ADMINISTRATION	669,509	669,509	669,509	0	669,509
470	EXTERNAL RELATIONS	4,639	4,639	4,639	0	4,639
480	CIVILIAN MANPOWER & PERSONNEL MANAGEMENT	119,785	119,785	119,785	0	119,785

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
490	MILITARY MANPOWER & PERSONNEL MANAGEMENT	106,986	106,986	106,986	0	106,986
500	OTHER PERSONNEL SUPPORT	199,531	199,531	199,531	0	199,531
510	SERVICEWIDE COMMUNICATIONS	732,372	732,372	732,372	0	732,372
510	Carry on cryptologic systems (DERF)		500	500	500	500
510	HQ management and planning (DERF)		3,920	3,920	3,920	3,920
510	HQ management, planning unified CINCS (DERF)		1,600	1,600	1,600	1,600
510	Computer network defense (DERF)		3,800	3,800	3,800	3,800
510	Enclave boundary (DERF)		1,200	1,200	1,200	1,200
510	Intrusion detection (DERF)		1,140	1,140	1,140	1,140
520	MEDICAL ACTIVITIES	0	0	0	0	0
	LOGISTICS OPERATIONS AND TECHNICAL SUPPORT					
530	SERVICEWIDE TRANSPORTATION	186,872	186,872	186,872	0	186,872
540	ENVIRONMENTAL PROGRAMS	0	0	0	0	0
550	PLANNING, ENGINEERING & DESIGN	393,563	393,563	393,563	0	393,563
560	ACQUISITION AND PROGRAM MANAGEMENT	857,646	857,646	857,646	0	857,646
560	Acquisition program management (DERF)		11,000	11,000	11,000	11,000
570	AIR SYSTEMS SUPPORT	464,959	464,959	464,959	0	464,959
	Configuration management systems		0	13,500	2,000	2,000
580	HULL, MECHANICAL & ELECTRICAL SUPPORT	51,399	51,399	51,399	0	51,399
	Ambient temperature cure coating tests		2,000	2,000	2,000	2,000
	Anti-corrosion product testing		0	1,000	1,000	1,000
590	COMBAT/WEAPONS SYSTEMS	43,907	43,907	43,907	0	43,907
600	SPACE & ELECTRONIC WARFARE SYSTEMS	59,899	59,899	59,899	0	59,899
	SECURITY PROGRAMS					

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
610	SECURITY PROGRAMS	767,090	767,090	795,080	0	767,090
610	Intel/security and investigative matters (DERF)		3,500	3,500	3,500	3,500
610	Commo/data backup Criminal Investigative Service (DERF)		2,000	2,000	2,000	2,000
610	HUMINT (DERF)		3,700	3,700	3,700	3,700
610	Counter-surveillance, law enforcement advance details (DERF)		5,000	5,000	5,000	5,000
	Critical infrastructure protection		0	6,000	6,000	6,000
	SUPPORT OF OTHER NATIONS					
620	INTERNATIONAL HEADQUARTERS & AGENCIES	9,349	9,349	9,349	0	9,349
	BASE SUPPORT					
630	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	99,406	99,406	99,406	0	99,406
630	Site improvement (DERF)		13,000	13,000	13,000	13,000
640	BASE SUPPORT	212,958	212,958	212,958	0	212,958
	Stainless steel sanitary spaces		15,000	0	5,000	5,000
	CANCELLED ACCOUNTS					
650	CANCELLED ACCOUNT	0	0	0	0	0
	PROBLEM DISBURSEMENTS					
660	PROBLEM DISBURSEMENTS	0	0	0	0	0
	JUDGMENT FUND					
670	JUDGMENT FUND		0	0	0	0
	TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**4,979,870**	**5,047,230**	**5,080,720**	**66,360**	**5,046,230**

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	Legislative provisions not proposed		0	-5,200	-7,300	-7,300
	Civilian personnel accrual accounting adjustment		-324,278	-324,278	-324,278	-324,278
	Contract services		0	-152,300	-107,506	-107,506
	Data conversion management lab		0	1,500	0	0
	Human resources call center		0	[1,500]	1,500	1,500
	MARAD ship disposal		0	[20,000]	0	0
	Camelbak hydration system		1,000	0	0	0
	Uniting through reading program		130	0	0	0
	Civilian personnel transferred to NORTHCOM		0	0	-2,731	-2,731
	Total Operation and Maintenance, Navy	**29,028,813**	**29,434,126**	**29,370,461**	**236,126**	**29,264,939**
	Operation and Maintenance, Marine Corps					
	EXPEDITIONARY FORCES					
010	OPERATIONAL FORCES	631,065	631,065	631,065	0	631,065
10	Continuity of intelligence (DERF)		1,000	1,000	1,000	1,000
10	I-SURSS (DERF)		700	700	700	700
10	TRSS (DERF)		1,000	1,000	1,000	1,000
10	TCAC (DERF)		500	500	500	500
10	RREP (DERF)		200	200	200	200
10	TPC (DERF)		700	700	700	700
10	MCIA analytic support (DERF)		2,400	2,400	2,400	2,400
10	TEG (DERF)		1,000	1,000	1,000	1,000
10	TROJAN Lite (DERF)		1,500	1,500	1,500	1,500
10	ISR (DERF)		2,800	2,900	2,900	2,900

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
10	FLAMES/CESAS (DERF)		2,000	2,000	2,000	2,000
10	Computer network defense (DERF)		2,000	2,000	2,000	2,000
10	Secure wireless (DERF)		800	800	800	800
10	Deployed security interdiction devices (DERF)		700	700	700	700
020	FIELD LOGISTICS	289,401	289,401	289,401	0	289,401
	Anti-corrosion product testing		0	1,000	1,000	1,000
030	DEPOT MAINTENANCE	138,576	138,576	138,576	0	138,576
040	BASE SUPPORT	907,624	907,624	907,624	0	907,624
40	Physical security equipment (DERF)		228,000	228,000	228,000	228,000
40	CINC AT/FP staffs (DERF)		3,200	3,200	3,200	3,200
40	Physical security upgrades (DERF)		10,000	10,000	10,000	10,000
	Training area management		0	1,590	0	0
	Exercise equipment maintenance		0	2,300	0	0
050	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	445,582	445,582	445,582	0	445,582
	USMC PREPOSITIONING					
060	MARITIME PREPOSITIONING	80,743	80,743	80,743	0	80,743
070	NORWAY PREPOSITIONING	3,813	3,813	3,813	0	3,813
	TOTAL, BA 01: OPERATING FORCES	**2,496,804**	**2,755,304**	**2,760,294**	**259,600**	**2,756,404**
	ACCESSION TRAINING					
080	RECRUIT TRAINING	10,516	10,516	10,516	0	10,516
090	OFFICER ACQUISITION	355	355	355	0	355
100	BASE SUPPORT	65,906	65,906	65,906	0	65,906

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
110	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	29,122	29,122	29,122	0	29,122
	IMET FUNDING		-1,330	0	0	0
	BASIC SKILLS AND ADVANCED TRAINING					
120	SPECIALIZED SKILLS TRAINING	40,524	40,524	40,524	0	40,524
130	FLIGHT TRAINING	175	175	175	0	175
140	PROFESSIONAL DEVELOPMENT EDUCATION	8,912	8,912	8,912	0	8,912
150	TRAINING SUPPORT	112,202	112,202	112,202	0	112,202
160	BASE SUPPORT	80,141	80,141	80,141	0	80,141
170	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	30,144	30,144	30,144	0	30,144
	RECRUITING AND OTHER TRAINING EDUCATION					
180	RECRUITING AND ADVERTISING	121,345	121,345	121,345	0	121,345
190	OFF-DUTY AND VOLUNTARY EDUCATION	34,695	34,695	34,695	0	34,695
200	JUNIOR ROTC	13,312	13,312	13,312	0	13,312
210	BASE SUPPORT	15,137	15,137	15,137	0	15,137
210	Site R (DERF)		1,000	1,000	1,000	1,000
220	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	2,507	2,507	2,507	0	2,507
	TOTAL, BA 03: TRAINING AND RECRUITING	**564,993**	**564,663**	**565,993**	**1,000**	**565,993**
	SERVICEWIDE SUPPORT					
230	SPECIAL SUPPORT	198,890	198,890	198,890	0	198,890
240	SERVICEWIDE TRANSPORTATION	34,627	34,627	34,627	0	34,627

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
250	ADMINISTRATION	39,262	39,262	39,262	0	39,262
260	BASE SUPPORT	20,438	20,438	20,438	0	20,438
270	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	2,938	2,938	2,938	0	2,938
	CANCELLED ACCOUNT					
280	CANCELLED ACCOUNT	0				
	TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**296,155**	**296,155**	**296,155**	**0**	**296,155**
	Legislative provisions not proposed		0	-200	-200	-200
	Civilian personnel accrual accounting adjustment		-47,210	-47,210	-47,210	-47,210
	Contract services		0	-16,300	-11,506	-11,506
	Facilities sustainment and modernization		31,000	0	0	0
	Total Operation and Maintenance, Marine Corps	**3,357,952**	**3,599,912**	**3,558,732**	**201,684**	**3,559,636**
	Operation and Maintenance, Air Force					
	AIR OPERATIONS					
010	PRIMARY COMBAT FORCES	3,244,026	3,244,026	3,244,026	0	3,244,026
10	Combat air patrol (DERF)		517,280	380,000	522,000	522,000
10	Predator O&M (DERF)		9,000	9,000	9,000	9,000
020	PRIMARY COMBAT WEAPONS	336,234	336,234	336,234	0	336,234
030	COMBAT ENHANCEMENT FORCES	248,367	248,367	248,367	0	248,367
	Airspace control and information operations range improvements		0	2,100	0	0

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
30	Computer network defense combat enhancement (DERF)		3,500	3,500	3,500	3,500
040	AIR OPERATIONS TRAINING	1,250,537	1,250,537	1,250,537	0	1,250,537
	Joint training and deployment preparation exercises		0	23,500	0	0
	Joint Advanced Weapon Scoring System		0	300	0	0
	Improved targets		0	4,000	0	0
	Range residue removal, infrastructure improvements		0	3,400	2,000	2,000
	Security sensor upgrades and facility repairs		0	3,200	0	0
050	DEPOT MAINTENANCE	1,382,953	1,382,953	1,461,581	0	1,382,953
	B-1B improvements		80,000	0	0	0
060	COMBAT COMMUNICATIONS	1,465,273	1,465,273	1,465,273	0	1,465,273
070	BASE SUPPORT	2,357,450	2,357,450	2,357,450	0	2,357,450
	Land planning outreach and restoration		0	1,200	0	0
	Primary training range infrastructure		0	2,800	0	0
70	AEF/ force protection certification training (DERF)		10,200	10,200	10,200	10,200
	WMD-1st Responder (DERF)		46,000	46,000	46,000	46,000
080	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	960,912	960,912	1,040,912	0	960,912
210	AT/FP facility upgrades (DERF)		99,585	99,585	99,585	99,585
	COMBAT RELATED OPERATIONS					
090	GLOBAL C3I AND EARLY WARNING	816,000	816,000	816,000	0	816,000
90	GeoReach/GeoBase (DERF)		25,800	25,800	25,800	25,800
90	Defense reconnaissance support (DERF)		68,630	68,630	0	0
100	NAVIGATION/WEATHER SUPPORT	187,671	187,671	187,671	0	187,671
110	OTHER COMBAT OPERATIONS SUPPORT PROGRAMS	425,618	425,618	425,618	0	425,618
110	National Airborne Command Center ground network (DERF)		10,000	10,000	10,000	10,000

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
110	Aircraft communication modernizations (DERF)		3,600	3,600	3,600	3,600
110	UH-1 support, capital region (DERF)		700	700	700	700
110	Communications systems operators training (DERF)		500	500	500	500
110	Commercial imagery - other combat (DERF)		2,000	2,000	2,000	2,000
	Information warfare support (DERF)		5,000	5,000	5,000	5,000
120	JCS EXERCISES	39,406	39,406	39,406	0	39,406
130	MANAGEMENT/OPERATIONAL HEADQUARTERS	221,692	221,692	221,692	0	221,692
130	CENTCOM PSD & forward HQs (DERF)		700	700	700	700
130	CINC AT/FP staff (DERF)		5,500	5,500	5,500	5,500
130	Management HQ STRATCOM (DERF)		1,250	1,250	1,250	1,250
130	Information warfare support (DERF)		4,000	0	4,000	4,000
130	Tactical deception (DERF)		1,000	0	1,000	1,000
130	Management HQs STRATCOM (DERF)		1,000	0	1,000	1,000
130	Management critical infrastructure protection (DERF)		400	400	400	400
140	TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	251,806	251,806	251,806	0	251,806
140	Combat air intelligence systems (DERF)		2,300	2,300	2,300	2,300
140	Special purpose communications (DERF)		2,000	2,000	2,000	2,000
140	Tactical information program (DERF)		5,000	5,000	5,000	5,000
140	Special evaluation program (DERF)		1,200	1,200	1,200	1,200
140	DCGS architecture (DERF)		3,000	3,000	3,000	3,000
140	Integrated broadcast service smart pull technology (DERF)		100	100	100	100
140	Integrated broadcast service (DERF)		100	100	100	100
	SPACE OPERATIONS					
150	LAUNCH FACILITIES	281,022	281,022	281,022	0	281,022
	Range operations		0	11,100	0	0

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
160	LAUNCH VEHICLES	133,478	133,478	133,478	0	133,478
170	SPACE CONTROL SYSTEMS	244,626	244,626	244,626	0	244,626
180	SATELLITE SYSTEMS	60,989	60,989	60,989	0	60,989
190	OTHER SPACE OPERATIONS	251,191	251,191	251,191	0	251,191
	Defense reconnaissance support activities (DERF)		10,000	10,000	10,000	10,000
200	BASE SUPPORT	493,528	493,528	493,528	0	493,528
210	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	157,715	157,715	157,715	0	157,715
	TOTAL, BA 01: OPERATING FORCES	**14,810,494**	**15,729,839**	**15,716,787**	**777,435**	**15,587,929**
	MOBILITY OPERATIONS					
220	AIRLIFT OPERATIONS	2,147,117	2,147,117	2,147,117	0	2,147,117
230	AIRLIFT OPERATIONS C3I	42,298	42,298	42,298	0	42,298
230	Airlift operations critical infrastructure protection (DERF)		1,800	1,800	1,800	1,800
240	MOBILIZATION PREPAREDNESS	175,023	175,023	175,023	0	175,023
250	DEPOT MAINTENANCE	312,552	312,552	372,552	0	312,552
260	PAYMENTS TO TRANSPORTATION BUSINESS AREA	470,700	470,700	470,700	0	470,700
270	BASE SUPPORT	527,755	527,755	527,755	0	527,755
270	AEF/ force protection certification training (DERF)		4,800	4,800	4,800	4,800
270	Weapons of Mass Destruction-1st Responder (DERF)		21,850	21,850	21,850	21,850
280	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	159,896	159,896	159,896	0	159,896
280	AT/FP facility upgrades (DERF)		57,254	57,254	57,254	57,254
	TOTAL, BA 02: MOBILIZATION	**3,835,341**	**3,921,045**	**3,981,045**	**85,704**	**3,921,045**

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	ACCESSION TRAINING					
290	OFFICER ACQUISITION	69,262	69,262	69,262	0	69,262
300	RECRUIT TRAINING	6,879	6,879	6,879	0	6,879
310	RESERVE OFFICER TRAINING CORPS (ROTC)	68,063	68,063	68,063	0	68,063
320	BASE SUPPORT (ACADEMIES ONLY)	73,180	73,180	73,180	0	73,180
330	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (ACADEMIES)	82,672	82,672	82,672	0	82,672
	BASIC SKILLS AND ADVANCED TRAINING					
340	SPECIALIZED SKILL TRAINING	307,625	307,625	307,625	0	307,625
350	FLIGHT TRAINING	663,762	663,762	663,762	0	663,762
360	PROFESSIONAL DEVELOPMENT EDUCATION	141,864	141,864	141,864	0	141,864
370	TRAINING SUPPORT	92,646	92,646	92,646	0	92,646
380	DEPOT MAINTENANCE	8,242	8,242	8,242	0	8,242
390	BASE SUPPORT (OTHER TRAINING)	573,464	573,464	573,464	0	573,464
390	Weapons of Mass Destruction-1st Responder (DERF)		1,150	1,150	1,150	1,150
400	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION (OTHER TRAINING)	160,638	160,638	160,638	0	160,638
400	AT/FP facility upgrades (DERF)		16,341	16,341	16,341	16,341
	RECRUITING, AND OTHER TRAINING AND EDUCATION					
410	RECRUITING AND ADVERTISING	152,289	152,289	146,489	0	152,289
420	EXAMINING	3,222	3,222	3,222	0	3,222
430	OFF DUTY AND VOLUNTARY EDUCATION	96,516	96,516	96,516	0	96,516
440	CIVILIAN EDUCATION AND TRAINING	107,151	107,151	107,151	0	107,151
450	JUNIOR ROTC	43,448	43,448	43,448	0	43,448

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	TOTAL, BA 03: TRAINING AND RECRUITING	**2,650,923**	**2,668,414**	**2,662,614**	**17,491**	**2,668,414**
	LOGISTICS OPERATIONS					
460	LOGISTICS OPERATIONS	922,106	922,106	922,106	0	922,106
	Anti-corrosion product testing		0	1,000	1,000	1,000
	Aging Propulsion System		7,000	0	0	0
	Logistics system management & retrieval technology/ L-SMART		2,500	0	0	0
470	TECHNICAL SUPPORT ACTIVITIES	429,543	429,543	429,543	0	429,543
480	SERVICEWIDE TRANSPORTATION	237,503	237,503	237,503	0	237,503
490	DEPOT MAINTENANCE	78,062	78,062	78,062	0	78,062
500	BASE SUPPORT	1,154,363	1,154,363	1,154,363	0	1,154,363
510	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	245,436	245,436	245,436	0	245,436
	SERVICEWIDE ACTIVITIES					
520	ADMINISTRATION	224,882	224,882	224,882	0	224,882
530	SERVICEWIDE COMMUNICATIONS	376,841	376,841	376,841	0	376,841
530	Modernization, sustainment, and development (DERF)		4,900	0	0	0
530	Servicewide comm modernization and sustainment (DERF)		1,700	1,700	1,700	1,700
530	Intrusion detection systems (DERF)		1,500	1,500	1,500	1,500
540	PERSONNEL PROGRAMS	184,558	184,558	184,558	0	184,558
550	RESCUE AND RECOVERY SERVICES	110,418	110,418	110,418	0	110,418
560	ARMS CONTROL	33,092	33,092	33,092	0	33,092
570	OTHER SERVICEWIDE ACTIVITIES	572,320	572,320	572,320	0	572,320
	Maintenance data collection and analysis		0	20,000	0	0
580	OTHER PERSONNEL SUPPORT	44,716	44,716	44,716	0	44,716

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
590	CIVIL AIR PATROL CORPORATION	19,668	19,668	19,668	0	19,668
600	BASE SUPPORT	276,338	276,338	276,338	0	276,338
600	AEF/ force protection certification training (DERF)		2,900	2,900	2,900	2,900
600	Weapons of Mass Destruction-1st Responder (DERF)		4,600	4,600	4,600	4,600
610	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	23,816	23,816	23,816	0	23,816
610	AT/FP facility upgrades (DERF)		3,976	3,976	3,976	3,976
	BRAC PREPARATION FUNDS		-16,500	0	0	0
	SECURITY PROGRAMS					
620	SECURITY PROGRAMS	1,054,171	1,054,171	1,172,031	0	1,054,171
620	Security and investigative activities (DERF)		2,000	2,000	2,000	2,000
620	Defense Security Service (DSS) (DERF)		5,000	5,000	5,000	5,000
	SUPPORT TO OTHER NATIONS					
630	INTERNATIONAL SUPPORT	20,032	20,032	20,032	0	20,032
	TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**6,007,865**	**6,027,441**	**6,168,401**	**22,676**	**6,030,541**
	Unspecified flying hour costs		0	-287,628	0	0
	Utilities		0	-55,000	-55,000	-55,000
	Legislative provisions not proposed		0	-800	-800	-800
	Civilian personnel accrual accounting adjustment		-531,055	-531,055	-531,055	-531,055
	Contract services		0	-211,400	-149,224	-149,224
	Camelbak hydration system		1,000	0	0	0
	Civilian personnel transferred to NORTHCOM		0	0	-2,362	-2,362

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	Contingency operations		0	0	-50,000	-50,000
	Total Operation and Maintenance, Air Force	**27,304,623**	**27,816,684**	**27,442,964**	**114,865**	**27,419,488**
	Operation and Maintenance, Defense-Wide					
	OPERATING FORCES					
010	JOINT CHIEFS OF STAFF	398,341	398,341	398,341	0	398,341
10	Combating terrorism readiness initiatives fund (DERF)		12,000	12,000	12,000	12,000
	CJCS exercise program		-10,000	0	0	0
020	SPECIAL OPERATIONS COMMAND	1,531,330	1,531,330	1,531,330	0	1,531,330
	TOTAL, BUDGET ACTIVITY 1:	**1,929,671**	**1,931,671**	**1,941,671**	**12,000**	**1,941,671**
	MOBILIZATION					
050	DEFENSE LOGISTICS AGENCY	41,420	41,420	41,420	0	41,420
	TOTAL, BUDGET ACTIVITY 2:	**41,420**	**41,420**	**41,420**	**0**	**41,420**
	TRAINING AND RECRUITING					
060	AMERICAN FORCES INFORMATION SERVICE	11,232	11,232	11,232	0	11,232
070	CLASSIFIED PROGRAMS	6,869	6,869	6,869	0	6,869
080	DEFENSE ACQUISITION UNIVERSITY	103,514	103,514	103,514	0	103,514
090	DEFENSE CONTRACT AUDIT AGENCY	4,865	4,865	4,865	0	4,865
100	DEFENSE FINANCE AND ACCOUNTING SERVICE	9,160	9,160	9,160	0	9,160
110	DEFENSE HUMAN RESOURCES ACTIVITY	89,161	89,161	89,161	0	89,161
	Joint recruiting and advertising		0	-24,250	0	0
120	DEFENSE SECURITY SERVICE	9,889	9,889	9,889	0	9,889

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
130	DEFENSE THREAT REDUCTION AGENCY	1,292	1,292	1,292	0	1,292
140	SPECIAL OPERATIONS COMMAND	62,982	62,982	62,982	0	62,982
	SOCOM training		0	16,700	0	0
	TOTAL, BUDGET ACTIVITY 3:	**298,964**	**298,964**	**291,414**	**0**	**298,964**
	ADMINISTRATION & SERVICEWIDE ACTIVITIES					
150	AMERICAN FORCES INFORMATION SERVICE	98,564	98,564	98,564	0	98,564
160	CIVIL MILITARY PROGRAMS	97,006	97,006	97,006	0	97,006
	Challenge program		2,500	0	2,500	2,500
170	CLASSIFIED PROGRAMS	5,864,228	5,864,228	5,865,288	0	5,864,228
170	Critical database backup (DERF), DIA		5,000	5,000	5,000	5,000
170	Intelligence support to hard/deeply buried targets, DIA (DERF)		12,600	12,600	7,600	7,600
170	Hard/deeply buried targets, NIMA (DERF)		2,300	2,300	2,300	2,300
170	Hard/deeply buried targets, NSA (DERF)		2,600	2,600	0	0
170	DIA (DERF)		15,000	15,000	7,000	7,000
170	Airborne integration - NIMA (DERF)		2,000	2,000	2,000	2,000
170	IEC workstations - NIMA (DERF)		1,000	1,000	1,000	1,000
170	Libraries communication - NIMA (DERF)		10,100	10,100	10,100	10,100
170	Program targeting workstations - NIMA (DERF)		2,000	2,000	2,000	2,000
170	CENTCOM - NIMA (DERF)		1,000	1,000	1,000	1,000
170	Commercial imagery - NIMA (DERF)		33,670	33,670	33,670	33,670
170	Geospatial data generation (DERF)		32,800	32,800	32,800	32,800
170	Classified - NSA (DERF)		11,000	11,000	6,000	6,000
170	U-2 support (DERF)		1,300	1,300	1,300	1,300

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
170	Global and theater guarding solutions (DERF)		5,400	5,400	5,400	5,400
170	Coalition intelligence information sharing (CENTRIX) (DERF)		14,000	14,000	14,000	14,000
	DIMAP		-28,000	0	0	0
180	DEFENSE CONTRACT AUDIT AGENCY	377,495	377,495	377,495	0	377,495
190	DEFENSE CONTRACT MANAGEMENT AGENCY	1,070,567	1,070,567	1,070,567	0	1,070,567
200	DEFENSE FINANCE AND ACCOUNTING SERVICE	2,282	2,282	2,282	0	2,282
200	Financial operations physical security (DERF)		5,900	5,900	5,900	5,900
200	Financial operations vulnerability assesments (DERF)		500	500	500	500
210	DEFENSE HUMAN RESOURCES ACTIVITY	256,042	256,042	256,042	0	256,042
	Civilian personnel data system		-20,000	0	-20,000	-20,000
210	Critical infrastructure protection (DERF)		500	500	500	500
220	DEFENSE INFORMATION SYSTEMS AGENCY	956,644	956,644	956,644	0	956,644
	Wireless information program		-37,000	0	-37,000	-37,000
220	Secure voice teleconferencing system (DERF)		2,500	2,500	2,500	2,500
220	Defense conferencing enhancement program (DERF)		8,900	8,900	8,900	8,900
220	DISA continuity of operations (DERF)		2,500	2,500	2,500	2,500
220	Bandwidth expansion (DERF)		7,600	7,600	7,600	7,600
220	Information assurance (DERF)		500	500	500	500
220	White House communications (DERF)		3,000	3,000	3,000	3,000
220	On-site administration for primary sites (DERF)		3,400	3,400	3,400	3,400
220	Info assurance, intel/coalition encryption (CWAN) (DERF)		5,000	5,000	5,000	5,000
220	Info assurance, intelligence/coalition encryption (CFBL) (DERF)		1,600	1,600	1,600	1,600
220	Information assurance, computer network defense (DERF)		3,500	3,500	3,500	3,500
220	On-site administration for primary sites (DERF)		3,000	3,000	3,000	3,000
230	DEFENSE LOGISTICS AGENCY	201,171	201,171	201,171	0	201,171
	Procurement Technical Assistance Program		0	5,000	5,000	5,000

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	Business process (logistics) reengineering		0	-2,000	-2,000	-2,000
	CTMA defense depot activities		20,000	0	2,500	2,500
0	GIG other communications		-10,000	0	-10,000	-10,000
230	Critical infrastructure protection (CIP) (DERF)		600	600	600	600
240	DEFENSE LEGAL SERVICES AGENCY	14,385	14,385	14,385	0	14,385
250	DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,616,135	1,616,135	1,616,135	0	1,616,135
250	Enhanced force protection- GPS transponders (DERF)		18,000	18,000	18,000	18,000
250	School physical security upgrades (DERF)		6,000	6,000	6,000	6,000
250	Enhanced force protection- management personnel (DERF)		200	200	200	200
260	DEFENSE POW /MISSING PERSONS OFFICE	15,974	15,974	15,974	0	15,974
270	DEFENSE SECURITY COOPERATION AGENCY	67,927	67,927	67,927	0	67,927
280	DEFENSE SECURITY SERVICE	170,447	170,447	170,447	0	170,447
280	Critical infrastructure protection (DERF)		500	500	500	500
290	DEFENSE THREAT REDUCTION AGENCY	273,510	273,510	273,510	0	273,510
300	OFFICE OF ECONOMIC ADJUSTMENT	14,740	14,740	14,740	0	14,740
310	OFFICE OF THE SECRETARY OF DEFENSE	499,943	499,943	499,943	0	499,943
310	Range Enhancement Initiative Fund		0	20,000	0	0
310	Legacy Resource Management Program		0	3,000	3,000	3,000
310	Corrosion management		0	3,000	0	0
310	Base information system		0	-10,000	-10,000	-10,000
310	Studies		0	-1,821	-1,200	-1,200
310	C3I Mission and Analysis Fund		0	-4,894	-4,894	-4,894
310	OSD continuity of operations operations and sustainment (DERF)		18,000	18,000	18,000	18,000
310	National Capital Region continuity of operations (DERF)		10,500	10,500	10,500	10,500
310	National Infrastructure Protection Center Reserve support (DERF)		4,000	4,000	4,000	4,000
310	National Infrastructure Protection Center DoD detailees (DERF)		4,000	4,000	4,000	4,000

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
310	Hard/deeply buried targets (0902198D8Z) (DERF)		3,050	3,050	3,050	3,050
310	CIP – biological agent security (DERF)		2,000	2,000	2,000	2,000
310	CIP - nuke security command and control (DERF)		400	400	400	400
310	CIP technology & consequence management (DERF)		6,600	6,600	6,600	6,600
310	Info operations: multi-media communications/ polls (DERF)		25,000	10,000	25,000	25,000
310	Concept plan (DERF)		10,000	0	0	0
310	Information operations (DERF)		32,000	17,000	27,600	27,600
310	Information operations: space ops (DERF)		1,500	1,500	1,500	1,500
310	Offensive information operations fellowship (DERF)		6,000	6,000	6,000	6,000
310	Horizontal fusion analysis (DERF)		2,000	2,000	2,000	2,000
310	Classified (DERF)		9,500	9,500	9,500	9,500
	Classified Program (Change to DERF)		0	0	52,600	52,600
320	SPECIAL OPERATIONS COMMAND	62,885	62,885	62,885	0	62,885
320	Combat development activities (DERF)		7,000	7,000	7,000	7,000
	Combat development activities - classified (Change to DERF)		0	0	16,000	16,000
330	SPECIAL ACTIVITIES	68,000	68,000	68,000	0	68,000
340	JOINT CHIEFS OF STAFF	184,483	184,483	184,483	0	184,483
	Studies		0	-6,966	-6,966	-6,966
340	Other combating terrorism initiatives (DERF)		1,459	1,459	1,459	1,459
340	Vulnerability assess, AT/FP requirements tracking/analysis (DERF)		400	400	400	400
340	CINC for Homeland Security (DERF)		41,000	27,000	37,000	37,000
340	Critical infrastructure protection (DERF)		300	300	300	300
350	WASHINGTON HEADQUARTERS SERVICES	332,821	332,821	332,821	-10,000	322,821
	Defense Travel System		-10,000	0	0	0
350	Classified (DERF)		28,000	28,000	28,000	28,000
	Continuity of operations- Pentagon Acceleration (DERF)		114,000	0	0	0

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(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	Continuity of op- Command Comm Survivability Project (DERF)		214,000	0	0	0
	TOTAL, BA 4: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**12,245,249**	**12,928,928**	**12,635,807**	**378,719**	**12,623,968**
	Impact aid		35,000	30,000	30,000	30,000
	Impact aid for children with disabilities		0	5,000	5,000	5,000
	Commercial imagery		0	30,000	30,000	30,000
	Civilian personnel accrual accounting adjustment		-346,046	-346,046	-346,046	-346,046
	Travel		0	0	-159,790	-159,790
	Foreign currency fluctuation		-522,400	0	-208,710	-208,710
	Contract services		0	-127,500	-90,000	-90,000
	Financial management		0	-19,500	-19,500	-19,500
	National Guard Youth Foundation		2,500	0	0	0
	Civilian personnel transferred to NORTHCOM		0	0	-1,667	-1,667
	JTF Support to Law Enforcement		5,000	0	0	0
	Total Operation and Maintenance, Defense-Wide	**14,515,304**	**14,375,037**	**14,482,266**	**-369,994**	**14,145,310**
	Operation and Maintenance, Army Reserve					
	LAND FORCES					
010	DIVISION FORCES	16,323	16,323	16,323	0	16,323
	Cold Weather Clothing (ECWCS)		4,000	0	4,000	4,000
	Modular Sleep System		6,000	0	0	0
020	CORPS COMBAT FORCES	33,211	33,211	33,211	0	33,211
030	CORPS SUPPORT FORCES	281,583	281,583	281,583	0	281,583

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
040	ECHELON ABOVE CORPS FORCES	128,348	128,348	128,348	0	128,348
050	LAND FORCES OPERATIONS SUPPORT	461,173	461,173	461,173	0	461,173
	LAND FORCES READINESS					
060	FORCES READINESS OPERATIONS SUPPORT	115,962	115,962	115,962	0	115,962
	Information operations training and support		0	3,000	1,500	1,500
070	LAND FORCES SYSTEM READINESS	62,255	62,255	62,255	0	62,255
70	Enhanced secure communications to RC (DERF)		5,900	5,900	5,900	5,900
70	Enhanced secure comm to RC: ARNET/ GUARDNET (DERF)		25,600	17,600	25,600	25,600
080	DEPOT MAINTENANCE	48,451	48,451	48,451	0	48,451
	LAND FORCES READINESS SUPPORT					
090	BASE SUPPORT	361,907	361,907	361,907	0	361,907
90	Access control/vulnerability assmnts (DERF)		33,800	20,000	20,000	20,000
90	Installation security (DERF)		2,900	2,900	2,900	2,900
90	RC communications hardening, redundancy, protection (DERF)		30,700	24,700	30,700	30,700
100	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	176,494	176,494	176,494	0	176,494
110	ADDITIONAL ACTIVITIES	2,712	2,712	2,712	0	2,712
	Controlled humidity preservation		20,000	0	4,000	4,000
	TOTAL, BA 01: OPERATING FORCES	**1,688,419**	**1,817,319**	**1,762,519**	**94,600**	**1,783,019**
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES					
120	ADMINISTRATION	48,752	48,752	48,752	0	48,752
130	SERVICEWIDE COMMUNICATIONS	34,842	34,842	34,842	0	34,842
130	Enhanced secure communications to RC (DERF)		2,400	2,400	2,400	2,400

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
140	PERSONNEL/FINANCIAL ADMINISTRATION (MANPOWER MANAGEMENT)	50,044	50,044	50,044	0	50,044
150	RECRUITING AND ADVERTISING	101,273	101,273	101,273	0	101,273
	TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**234,911**	**237,311**	**237,311**	**2,400**	**237,311**
	Civilian personnel accrual accounting adjustment		-43,220	-43,220	-43,220	-43,220
	Military technicians	0	8,000	0	8,000	8,000
	Total Operation and Maintenance, Army Reserve	**1,923,330**	**2,019,410**	**1,956,610**	**61,780**	**1,985,110**
	Operation and Maintenance, Navy Reserve					
	RESERVE AIR OPERATIONS					
010	MISSION AND OTHER FLIGHT OPERATIONS	398,320	398,320	398,320	0	398,320
030	INTERMEDIATE MAINTENANCE	18,003	18,003	18,003	0	18,003
040	AIR OPERATION AND SAFETY SUPPORT	2,268	2,268	2,268	0	2,268
40	Management and planning - physical security staff (DERF)		61	61	61	61
40	Management and planning - physical security staff (DERF)		187	187	187	187
050	AIRCRAFT DEPOT MAINTENANCE	129,532	129,532	129,532	0	129,532
50	Physical security site improvement (DERF)		68,777	68,777	68,777	68,777
060	AIRCRAFT DEPOT OPERATIONS SUPPORT	366	366	366	0	366
	RESERVE SHIP OPERATIONS					
070	MISSION AND OTHER SHIP OPERATIONS	68,219	68,219	68,219	0	68,219
080	SHIP OPERATIONAL SUPPORT AND TRAINING	558	558	558	0	558
090	INTERMEDIATE MAINTENANCE	11,712	11,712	11,712	0	11,712

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
100	SHIP DEPOT MAINTENANCE	80,272	80,272	80,272	0	80,272
110	SHIP DEPOT OPERATIONS SUPPORT	3,535	3,535	3,535	0	3,535
	RESERVE COMBAT OPERATIONS SUPPORT					
120	COMBAT SUPPORT FORCES	69,864	69,864	69,864	0	69,864
	RESERVE WEAPONS SUPPORT					
130	WEAPONS MAINTENANCE	5,668	5,668	5,668	0	5,668
	BASE SUPPORT					
140	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	66,599	66,599	66,599	0	66,599
150	BASE SUPPORT	146,119	146,119	146,119	0	146,119
	TOTAL, BA 01: OPERATING FORCES	**1,001,035**	**1,070,060**	**1,070,060**	**69,025**	**1,070,060**
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES					
160	ADMINISTRATION	12,023	12,023	12,023	0	12,023
170	CIVILIAN MANPOWER & PERSONNEL	2,161	2,161	2,161	0	2,161
180	MILITARY MANPOWER & PERSONNEL	32,479	32,479	32,479	0	32,479
190	SERVICEWIDE COMMUNICATIONS	111,766	111,766	111,766	0	111,766
190	Reserve site C2, cryptologic COOP (DERF)		5,000	5,000	5,000	5,000
200	COMBAT/WEAPONS SYSTEM	5,766	5,766	5,766	0	5,766
210	OTHER SERVICEWIDE SUPPORT	731	731	731	0	731
	CANCELLED ACCOUNTS					
220	CANCELLED ACCOUNTS	0	0	0	0	0

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**164,926**	**169,926**	**169,926**	**5,000**	**169,926**
	Civilian personnel accrual accounting adjustment		-6,227	-6,227	-6,227	-6,227
	Total Operation and Maintenance, Navy Reserve	**1,165,961**	**1,233,759**	**1,233,759**	**67,798**	**1,233,759**
	Operation and Maintenance, Marine Corps Reserve					
	MISSION FORCES					
010	OPERATING FORCES	80,723	80,723	80,723	0	80,723
	Initial issue		0	5,000	4,000	4,000
020	DEPOT MAINTENANCE	12,571	12,571	12,571	0	12,571
030	BASE SUPPORT	29,473	29,473	29,473	0	29,473
040	TRAINING SUPPORT	20,641	20,641	20,641	0	20,641
050	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	10,785	10,785	10,785	0	10,785
	TOTAL, BA 01: OPERATING FORCES	**154,193**	**154,193**	**159,193**	**4,000**	**158,193**
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES					
060	SPECIAL SUPPORT	8,461	8,461	8,461	0	8,461
070	SERVICEWIDE TRANSPORTATION	500	500	500	0	500
080	ADMINISTRATION	9,977	9,977	9,977	0	9,977
090	BASE SUPPORT	4,130	4,130	4,130	0	4,130
100	RECRUITING AND ADVERTISING	8,271	8,271	8,271	0	8,271

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**31,339**	**31,339**	**31,339**	**0**	**31,339**
	Total O&M, Marine Corps Reserve	**185,532**	**185,532**	**190,532**	**4,000**	**189,532**
	Operation and Maintenance, Air Force Reserve					
	AIR OPERATIONS					
010	PRIMARY COMBAT FORCES	1,346,055	1,346,055	1,346,055	0	1,346,055
	Range residue removal		0	400	0	0
020	MISSION SUPPORT OPERATIONS	69,818	69,818	69,818	0	69,818
030	DEPOT MAINTENANCE	337,113	337,113	337,113	0	337,113
040	BASE SUPPORT	282,280	282,280	282,280	0	282,280
40	Weapons of Mass Destruction-1st Responder (DERF)		14,950	14,950	14,950	14,950
050	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	48,463	48,463	48,463	0	48,463
50	AT/FP facility upgrades (DERF)		6,202	6,202	6,202	6,202
	TOTAL, BA 01: OPERATING FORCES	**2,083,729**	**2,104,881**	**2,105,281**	**21,152**	**2,104,881**
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES					
060	ADMINISTRATION	57,136	57,136	57,136	0	57,136
	Server consolidation		0	8,000	4,000	4,000
070	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	24,088	24,088	24,088	0	24,088
080	RECRUITING AND ADVERTISING	18,683	18,683	18,683	0	18,683
090	OTHER PERSONNEL SUPPORT	6,593	6,593	6,593	0	6,593

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
100	AUDIOVISUAL	688	688	688	0	688
	TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**107,188**	**107,188**	**115,188**	**4,000**	**111,188**
	Legislative provisions not proposed		0	-100	-100	-100
	Civilian personnel accrual accounting adjustment		-55,365	-55,365	-55,365	-55,365
	Total O&M, Air Force Reserve	**2,190,917**	**2,156,704**	**2,165,004**	**-30,313**	**2,160,604**
	Operation and Maintenance, Army National Guard					
	LAND FORCES					
010	DIVISIONS	592,730	592,730	592,730	0	592,730
	Cold Weather Clothing (ECWCS)		4,000	12,000	6,000	6,000
	Modular Sleep System		9,000	0	0	0
	Homeland security training, Camp Gruber	0	0	0	0	0
020	CORPS COMBAT FORCES	652,895	652,895	652,895	0	652,895
030	CORPS SUPPORT FORCES	313,967	313,967	313,967	0	313,967
040	ECHELON ABOVE CORPS FORCES	516,742	516,742	516,742	0	516,742
050	LAND FORCES OPERATIONS SUPPORT	48,443	48,443	48,443	0	48,443
	LAND FORCES READINESS					
060	FORCE READINESS OPERATIONS SUPPORT	75,746	75,746	75,746	0	75,746
070	LAND FORCES SYSTEMS READINESS	107,925	107,925	107,925	0	107,925
080	LAND FORCES DEPOT MAINTENANCE	178,733	178,733	178,733	0	178,733
	Azur Blue cannon bore cleaning system	0	2,200	0	1,000	1,000

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(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	LAND FORCES READINESS SUPPORT					
090	BASE OPERATIONS SUPPORT	561,967	561,967	561,967	0	561,967
90	Security (DERF)	0	350,000	350,000	0	0
	Security (Transfer to OPA)	0	-350,000	0	0	0
100	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	363,571	363,571	363,571	0	363,571
110	MANAGEMENT & OPERATIONAL HEADQUARTERS	420,329	420,329	420,329	0	420,329
120	MISCELLANEOUS ACTIVITIES	46,673	46,673	46,673	0	46,673
120	Classified network (DERF)		86,200	78,700	78,700	78,700
120	Classified network (DERF)		48,500	8,500	8,500	8,500
	TOTAL, BA 01: OPERATING FORCES	**3,879,721**	**4,029,621**	**4,328,921**	**94,200**	**3,973,921**
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES					
130	STAFF MANAGEMENT	104,409	104,409	104,409	0	104,409
140	INFORMATION MANAGEMENT	15,565	15,565	15,565	0	15,565
150	PERSONNEL ADMINISTRATION	52,259	52,259	52,259	0	52,259
160	RECRUITING AND ADVERTISING	84,868	84,868	84,868	0	84,868
	TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**257,101**	**257,101**	**257,101**	**0**	**257,101**
	Additional military technicians	0	11,300	0	11,300	11,300
	Civilian personnel accrual accounting adjustment		-87,255	-87,255	-87,255	-87,255
	Total O&M, Army National Guard	**4,136,822**	**4,210,767**	**4,498,767**	**18,245**	**4,155,067**

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(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	Operation and Maintenance, Air National Guard					
	AIR OPERATIONS					
010	AIRCRAFT OPERATIONS	2,637,374	2,637,374	2,637,374	0	2,637,374
	Range residue removal	0	0	6,600	0	0
	Range emitters	0	0	1,500	0	0
	Increased support for test and evaluation	0	0	2,000	0	0
	Cold Weather Clothing (ECWCS)	0	4,000	4,000	4,000	4,000
020	MISSION SUPPORT OPERATIONS	341,385	341,385	341,385	0	341,385
	Medical equipment	0	0	350	350	350
030	BASE SUPPORT	407,751	407,751	407,751	0	407,751
040	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	164,228	164,228	164,228	0	164,228
40	AT/FP facility upgrades (DERF)		38,015	38,015	38,015	38,015
050	DEPOT MAINTENANCE	565,224	565,224	565,224	0	565,224
	TOTAL, BA 01: OPERATING FORCES	**4,115,962**	**4,157,977**	**4,168,427**	**42,365**	**4,158,327**
	SERVICEWIDE ACTIVITIES					
060	ADMINISTRATION	24,871	24,871	24,871	0	24,871
070	RECRUITING AND ADVERTISING	10,128	10,128	10,128	0	10,128
	TOTAL, BA 04: ADMINISTRATION & SERVICEWIDE ACTIVITIES	**34,999**	**34,999**	**34,999**	**0**	**34,999**
	Legislative provisions not proposed	0	0	-100	-100	-100
	Civilian personnel accrual accounting adjustment		-88,416	-88,416	-88,416	-88,416

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	Total O&M, Air National Guard	**4,150,961**	**4,104,560**	**4,114,910**	**-46,151**	**4,104,810**
	TRANSFER ACCOUNTS					
010	ENVIRONMENTAL RESTORATION, ARMY	395,900	395,900	395,900	0	395,900
020	ENVIRONMENTAL RESTORATION, NAVY	256,948	256,948	256,948	0	256,948
030	ENVIRONMENTAL RESTORATION, AIR FORCE	389,773	389,773	389,773	0	389,773
040	ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	23,498	23,498	23,498	0	23,498
050	ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES	212,102	212,102	252,102	40,000	252,102
060	DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES	848,907	848,907	848,907	0	848,907
	National Guard counterdrug state plans	0	0	25,000	11,000	11,000
070	OVERSEAS CONTINGENCIES	50,000	0	50,000	-32,156	17,844
	TOTAL, O&M, TRANSFER ACCOUNTS	**2,177,128**	**2,127,128**	**2,242,128**	**18,844**	**2,195,972**
	MISCELLANEOUS					
080	OFFICE OF THE INSPECTOR GENERAL	163,440	163,440	163,440	0	163,440
	Civilian personnel accrual accounting adjustment		-8,275	-8,275	-8,275	-8,275
090	U.S. COURT OF APPEALS FOR THE ARMED FORCES	9,925	9,925	9,925	0	9,925
	Civilian personnel accrual accounting adjustment		-311	-311	-311	-311
100	SUPPORT OF INTERNATIONAL SPORTING COMPETITIONS	19,000	19,000	19,000	0	19,000
110	OVERSEAS HUMANITARIAN, DISASTER, & CIVIC AFFAIRS	58,400	58,400	58,400	0	58,400
120	PAYMENT TO KAHO'OLAWE ISLAND	25,000	25,000	25,000	0	25,000
140	DEFENSE HEALTH PROGRAM	14,360,271	14,360,271	14,360,271	0	14,360,271
	Underexecution	0	0	0	-78,813	-78,813

Title III - Operation and Maintenance

(Dollars in thousands)

Line	Program	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
	AIDS prevention/education			[30,000]	0	0
	Civilian personnel accrual accounting adjustment		-126,230	-126,230	-126,320	-126,320
	Financial management		0	-32,100	-32,100	-32,100
	Critical infrastructure protection - DHP (DERF)		0	500	0	0
	TRICARE Prime Remote		6,000	0	0	0
	Marshall Islands diabetes reversal/wellness program		2,000	0	0	0
150	FORMER SOVIET UNION THREAT REDUCTION	416,700	416,700	416,700	0	416,700
160	QUALITY OF LIFE ENHANCEMENTS	0	0	0	0	0
170	OPPLAN 34A-35 P.O.W.	0	0	0	0	0
180	COUNTER-TERRORISM/WMD DEFENSE	0	0	0	0	0
	TOTAL, MISCELLANEOUS	**15,052,736**	**14,925,920**	**14,886,320**	**-245,819**	**14,806,917**
	Travel	0	0	-159,790	0	0
	Foreign currency fluctuation	0	0	-615,200	0	0
	TOTAL OPERATION AND MAINTENANCE TITLE:	**129,771,134**	**130,363,542**	**129,539,005**	**-627,739**	**129,143,395**

Department of Defense foreign language training

The budget request included $135.4 million in Operation and Maintenance, Army for the Defense Language Institute/Foreign Language Center (DLI/FLC).

The House bill and the Senate amendment would support the budget request. The House version of the Intelligence Authorization Act for Fiscal Year 2003 (H.R. 4628) would authorize an increase of $2.0 million for the satellite communications for learning (SCOLA) project at the DLI/FLC.

The conferees agree to authorize $136.4 million, an increase of $1.0 million in Operation and Maintenance, Army for SCOLA. The conferees also direct the Secretary of the Army to designate an appropriate organization to manage the SCOLA program beginning in fiscal year 2003.

The SCOLA project provides important support within the Government. Financing to date for the SCOLA project has been provided by reimbursements from defense agencies and other government activities seeking SCOLA program support. The conferees believe that the SCOLA program deserves more focused management that would benefit the program with: (1) a more reliable funding line item in the budget; and (2) better support in the programming and budgeting process from the Department. The conferees also believe that the DLI/FLC would be an appropriate organization to manage the SCOLA program effort.

Ship depot maintenance

The budget request for fiscal year 2003 included $3.5 billion for ship depot maintenance.

The Senate amendment recommended a $90.0 million increase in ship depot maintenance to address war-related requirements and emergent repairs.

The House bill contained no similar increase.

The conferees agree to authorize the amount included in the budget request.

The request for the fiscal year 2002 supplemental appropriations bill included $90.0 million to fund regularly scheduled maintenance that would have been deferred until fiscal year 2003 because funds were being diverted for war-related repairs. This funding for ship depot maintenance was approved by Congress.

Because supplemental funding was provided that would allow regularly scheduled maintenance to proceed as planned, the conferees did not adopt the increase recommended in the Senate amendment.

Secure communications for the reserve components

The budget request for the Defense Emergency Response Fund included almost $200.0 million for the reserve components to increase reserve communications infrastructure.

The House bill fully funded this request.

The Senate amendment expressed support for the proposed improvements, but it also expressed concern over whether the entire amount requested could be executed in one fiscal year. Accordingly, the Senate amendment reduced the request by $40.0 million. The Senate report also required the Commander in Chief for Homeland

Security to conduct a review of requirements to expand reserve component communications and to report the results of this review to the congressional defense committees no later than April 30, 2003.

The conferees agree to authorize a $40.0 million decrease and jointly endorse the need for the required review.

Since the Senate completed action on its bill, Congress has received a report from the General Accounting Office (GAO) entitled "National Guard: Effective Management Processes Needed for Wide-Area Network." This report identifies a number of deficiencies in the management of the National Guard's wide-area network, known as GuardNet. The conferees are concerned that the Department of Defense (DOD)'s plans to expand GuardNet and/or increase its use may be overly aggressive, given the apparent lack of defined requirements, uncertain configuration of the network, and potential security risks. The conferees believe that GuardNet can play a critical role both in enhancing the readiness of our Armed Forces by facilitating training and in bolstering capabilities to defend the homeland through rapid, secure communications with and between National Guard units. Therefore, the conferees strongly urge DOD to address these management concerns as quickly as possible and to include an update on any actions taken in its report to the congressional defense committees in April 2003.

ITEMS OF SPECIAL INTEREST

Formerly Used Defense Site at Lowry Bombing and Gunnery Range

The Army is the executive agent for the Formerly Used Defense Site (FUDS) Program, and the U.S. Army Corps of Engineers manages and executes actual remediation activities. The conferees urge the Secretary of the Army to expeditiously move forward with remediation efforts at all former military ranges.

The conferees are aware of the environmental cleanup activities needed at the former Lowry Bombing and Gunnery Range in Arapahoe County, Colorado, and recognize the importance of completing needed cleanup and containment to protect the health and safety of the surrounding residences and to permit planned residential and school construction in the surrounding area to proceed. The conferees encourage the Army Corps of Engineers to complete cleanup in a timely manner by providing sufficient resources and selecting appropriate cleanup and containment methodologies for the former Lowry Bombing and Gunnery Range and for all other installations included in the FUDS Program.

National Imagery and Mapping Agency commercial satellite imaging support

The conferees recognize the importance of a viable, technically competent, commercial space imaging industry as an important complement to U.S. national technical means and note that the Director of Central Intelligence has directed the National Imagery and Mapping Agency (NIMA) to make fuller use of commercial imagery. The conferees believe that a long-term government commitment to the appropriate use of commercial imagery is necessary in this context. The conferees believe that such a long-term commit-

ment would cause commercial capital to become available to industry to support development of next generation commercial space imaging capabilities and infrastructure and would also result in greatly reduced cost-per-unit for commercial imagery.

Section 2306b, title 10, United States Code, provides the head of an agency with the authority to enter into a multiyear contract for the purchase of property for more than one, but not more than five program years to the extent that funds are otherwise available for obligation. This authority is further qualified in that the agency head must find that the multiyear saves money, that the requirement is substantially stable, and that there is a reasonable expectation throughout the contract period that sufficient funds will be budgeted to avoid contract cancellation. For the Department of Defense, the agency head's authority is also restricted to contracts less than $500.0 million, with an unfunded contingent liability of $20.0 million or less. For amounts greater than these, congressional notification or express congressional approval is required.

The multiyear authority does not waive the requirement for annual appropriations from Congress for each contract year nor does it preclude the Government's ability to terminate the contract for convenience. Nevertheless, because multiyear contracts can bring a significant measure of stability and economic order quantity activity to a program, it provides for considerably more efficient program execution and savings to the Government.

The conferees believe that the termination liability in a multiyear contract for pixels or product from the commercial remote sensing industry need not exceed $20.0 million in any contract year. Thus the conferees understand that the Director of NIMA, under the foregoing statute, has the authority to award such a multiyear contract to a commercial remote sensing company for up to five years and $500.0 million ($100.0 million for each of five years) without requiring express congressional approval, as long as the unfunded contingent liability does not exceed $20.0 million. If the Director desired to purchase imagery from more than one industry source, he could award more than one multiyear contract on his own authority; however, congressional approval would be required if the aggregate amount were to exceed $500.0 million or $20.0 million in termination liability.

The conferees expect NIMA to take advantage of existing multiyear contracting authority, including the authority contained in 10 USC 2306b, for commercial satellite imagery when such use is in the best interests of the Government.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Authorization of Appropriations

Authorization of appropriations (secs. 301–302)

The House bill contained provisions (secs. 301–302) that would authorize the recommended fiscal year 2003 funding levels for all operation and maintenance and working capital fund accounts.

The Senate amendment contained similar provisions (secs. 301–302).

The conference agreement includes these provisions.

Armed Forces Retirement Home (sec. 303)

The House bill contained a provision (sec. 303) that would authorize $69.9 million from the Armed Forces Retirement Home Trust Fund for the operation of the Armed Forces Retirement Home, including the Armed Forces Retirement Home—Washington, and the Armed Forces Retirement Home—Gulfport.

The Senate amendment contained a similar provision (sec. 303).

The Senate recedes.

Grant to National Guard Youth Foundation (sec. 304)

The conference agreement includes a provision (sec. 304) that would authorize $2.5 million for a grant to the National Guard Youth Foundation for building and strengthening the character and competence of the Nation's youth.

Subtitle B—Environmental Provisions

Enhancement of authority on cooperative agreements for environmental purposes (sec. 311)

The Senate amendment contained a provision (sec. 311) that would authorize the Secretary of Defense to enter into and fund cooperative agreements with Federal, State and local agencies, as well as Indian tribes, that begin in one fiscal year and end in another fiscal year.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Single point of contact for policy and budgeting issues regarding unexploded ordnance, discarded military munitions, and munitions constituents (sec. 312)

The House bill contained a provision (sec. 313) that would require the Secretary of Defense to establish a single point of contact for policy and budgeting issues regarding unexploded ordnance, discarded military munitions, and munitions constituents (UXO).

The Senate amendment contained no similar provision.

The Senate recedes with an amendment clarifying the authority that may be delegated under the provision.

The conferees direct the Department of Defense to provide a consolidated budget exhibit on all proposed funding to address environmental impacts of UXO with its budget submission in each of the next four fiscal years as noted in the Senate report accompanying S. 2514 (S. Rept. 107–151).

Authority to carry out construction projects for environmental responses (sec. 313)

The House bill contained a provision (sec. 2802) that would clarify that the secretaries of the military departments are required to notify Congress of their intent to conduct military construction projects necessary to carry out an environmental response action when such projects are in excess of the minor construction threshold.

The Senate amendment contained a provision (sec. 312) that would require the Secretary of Defense to fund environmental res-

toration projects through the Environmental Restoration accounts of the Department of Defense and not as military construction projects.

The House recedes.

Procurement of environmentally preferable procurement items (sec. 314)

The Senate amendment contained a provision (sec. 313) that would require the Secretary of Defense to establish: (1) goals for the increased purchase of procurement items that are environmentally preferable or are made with recovered materials; and (2) a tracking system to enable the Department to monitor its progress in achieving these goals.

The House bill contained no similar provision.

The House recedes with an amendment that would eliminate the requirement to establish goals. The Secretary of Defense would be required to develop and implement an effective and efficient tracking system to identify the extent to which the Defense Logistics Agency procures items that have been determined to be environmentally preferable or made with recovered material. To the maximum extent practicable, the tracking system would be required to separately track the procurement of each category of such procurement items. In identifying categories of procurement items to be tracked, the conferees expect the Secretary to consider the Comprehensive Procurement Guidelines and Guidance on Acquisition of Environmentally Preferable Products and Services developed pursuant to Executive Order 13101 and products identified as environmentally preferable in the Federal Logistics Information System. The conferees also expect that the system will track the procurement of such items as a percentage of all purchases of procurement items that serve a similar purpose.

Incidental taking of migratory birds during military readiness activities (sec. 315)

The House bill contained a provision (sec. 311) that would amend the Migratory Bird Treaty Act (Public Law 93–300) to create a statutory exemption for the Department of Defense (DOD) for the incidental taking of migratory birds during authorized military readiness activities.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would create interim authority under which the Migratory Bird Treaty Act would not apply to the incidental taking of a migratory bird by DOD during authorized military readiness activities. The amendment would direct the Secretary of the Interior to prescribe regulations, no later than one year after the date of enactment of this Act, to exempt DOD for the incidental taking of migratory birds during authorized military readiness activities. The interim authority would not expire until the regulations have taken effect. The amendment would also require the Secretary of Defense, acting in consultation with the Secretary of the Interior, to identify measures to minimize the adverse impact of military training activities on affected species of migratory birds during both the period of interim authority and the period after the regulations have taken effect.

The conferees believe this provision to be entirely consistent with the underlying terms of all treaty obligations of the United States.

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

Authority for each military department to provide base operating support to Fisher Houses (sec. 321)

The House bill contained a provision (sec. 321) that would authorize the service secretaries to provide appropriated fund support to Fisher Houses associated with the health care facilities of that military department.

The Senate amendment contained a similar provision (sec. 903).

The Senate recedes.

Use of commissary stores and MWR retail facilities by members of National Guard serving in national emergency (sec. 322)

The House bill contained a provision (sec. 322) that would authorize members of the National Guard to use commissary and exchange stores when ordered to duty in other than a federal status in response to a federally declared national emergency.

The Senate amendment contained no similar provision.

The Senate recedes.

Uniform funding and management of morale, welfare, and recreation programs (sec. 323)

The House bill contained a provision (sec. 323) that would authorize the Secretary of Defense to permit installation commanders to manage funds appropriated for installation Morale, Welfare, and Recreation (MWR) programs under the procedures used for nonappropriated funds and would authorize conversion of certain employment positions, with the employees' consent, from appropriated fund positions to nonappropriated fund positions.

The Senate amendment contained no similar provision.

The Senate recedes.

Rebate agreements under the special supplemental food program (sec. 324)

The Senate amendment contained a provision (sec. 344) that would authorize the Secretary of Defense to enter into contracts for rebates with producers of food products for the exclusive right to provide food in Navy Exchange Markets as supplemental food for the Women, Infants, and Children (WIC) Overseas Program, consistent with current authority for products sold in commissary stores. The recommended provision would also increase the maximum period of the exclusive rights contracts from one year to three years.

The House bill contained no similar provision.

The House recedes.

Subtitle D—Workplace and Depot Issues

Notification requirements in connection with required studies for conversion of commercial or industrial type functions to contractor performance (sec. 331)

The House bill contained a provision (sec. 331) that would require the Secretary of Defense to notify Congress of the outcome of a required study for conversion of a function to contractor performance, regardless of whether the study results in conversion to contractor performance or maintaining performance in the public sector.

The Senate amendment contained no similar provision.

The Senate recedes.

Temporary authority for contractor performance of security-guard functions to meet increased requirements since September 11, 2001 (sec. 332)

The House bill contained a provision (sec. 332) that would authorize the Secretary of Defense or the secretary of a military department to waive the prohibition in section 2465(a) of title 10, United States Code, on contracting out security guard functions in certain circumstances. The House provision would authorize the Department to contract for security guard functions if: (1) those functions are or will be performed by members of the Armed Forces; or (2) the security guard functions were not required before September 11, 2001.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize the waiver of section 2465(a) to meet increased security guard functions undertaken in response to the terrorist attacks of September 11, 2001, if: (1) the functions are or would be performed by members of the Armed Forces; and (2) the secretary concerned determines that the contractor personnel are appropriately trained and supervised and can be used without a reduction in security at the affected installation or facility. The authority to contract out security guard functions under this provision would expire three years after the date of enactment of this Act. The Secretary of Defense would be required to identify any longer-term requirements for security guard functions and submit a plan for meeting those requirements to the congressional defense committees no later than six months after the date of enactment.

Repeal of obsolete provision regarding depot-level maintenance and repair workloads that were performed at closed or realigned military installations (sec. 333)

The House bill contained a provision (sec. 334) that would repeal section 2469(a) of title 10, United States Code, which addresses depot-level maintenance and repair workloads that were performed at installations closed or realigned under the Defense Base Closure and Realignment Act of 1990 (Public Law 101–510). Because all installations have completed closure or realignment actions in accordance with that law, this provision is no longer necessary.

The Senate amendment contained no similar provision.

The Senate recedes.

Exclusion of certain expenditures from limitation on private sector performance of depot-level maintenance (sec. 334)

The House bill contained a provision (sec. 333) that would revise section 2474(f) of title 10, United States Code. Currently, that section excludes, until 2005, all work that is performed by private sector personnel at Department of Defense maintenance and repair depots from the percentage limitations (50/50) on private sector depot-level maintenance work. The provision would remove the date limitation.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would revise the date limitation. The amendment would extend the exclusion for the duration of all public-private partnership contracts for depot maintenance that are signed before the end of fiscal year 2006.

Subtitle E—Defense Dependents Education

Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees (sec. 341)

The Senate amendment contained a provision (sec. 331) that would authorize $30.0 million for continuation of the Department of Defense assistance program to local education agencies that benefit dependents of service members and Department of Defense civilian employees.

The House bill contained a similar provision (sec. 341).

The House recedes with a technical amendment.

Housing benefits for unaccompanied teachers required to live at Guantanamo Bay Naval Station, Cuba (sec. 342)

The Senate amendment contained a provision (sec. 1107) that would require the Navy to make excess military family housing at Guantanamo Bay Naval Station, Cuba, available for lease to Department of Defense Education Activity teachers assigned to teach at that station.

The House bill contained a similar provision (sec. 342).

The House recedes.

Options for funding dependent summer school programs (sec. 343)

The Senate amendment contained a provision (sec. 333) that would require the Secretary of Defense to provide dependent summer school programs on the same financial basis as programs offered during the regular school year.

The House bill contained a similar provision (sec. 343).

The House recedes.

The conferees expect the Secretary to exercise the authority to charge fees for certain summer school programs only when necessary to offer a course. When a fee is charged, the Secretary should provide authority to waive the fee, on the basis of financial need, for students otherwise eligible for free education.

Impact aid eligibility for local educational agencies affected by privatization of military housing (sec. 344)

The House bill contained a provision (sec. 366) that would authorize continued eligibility of certain local education agencies for impact aid during temporary reductions in the number of qualified students because of conversion of military housing units to private housing. The provision would also exclude basic allowance for housing payments to military personnel residing in privatized military housing from income for purposes of determining eligibility for free or reduced price school lunches.

The Senate amendment contained a similar provision (sec. 1064).

The Senate recedes with an amendment deleting the provision for free or reduced price school lunches because this provision was enacted in separate legislation.

Comptroller General study of adequacy of compensation provided for teachers in the Department of Defense Overseas Dependents' Schools (sec. 345)

The Senate amendment contained a provision (sec. 334) that would extend from May 1, 2002 to December 12, 2002 the date for the Comptroller General to report on a study on whether compensation for teachers in the Department of Defense dependents' education system is adequate for recruiting and retaining high quality teachers. The provision would also require the Comptroller General to consider whether the process for setting teacher compensation is efficient and cost effective.

The House bill amendment contained no similar provision.

The House recedes.

Subtitle F—Information Technology

Annual submission of information regarding information technology capital assets (sec. 351)

The House bill contained a provision (sec. 352) that would require the Secretary of Defense to include, along with the annual budget request, a description of and complete budget information on major information technology, national security system, and national security capital asset programs.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to clarify certain terms and to minimize reporting requirements.

Policy regarding acquisition of information assurance and information assurance-enabled information technology products (sec. 352)

The House bill contained a provision (sec. 353) that would require the Secretary of Defense to establish and implement a policy limiting the acquisition of all commercial off-the-shelf information assurance and information assurance-enabled information technology products to those products that have been evaluated and validated in accordance with appropriate criteria, schemes, or programs.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary to: (1) apply the policy to all information assurance and information assurance-enabled information technology products (not just commercial off-the-shelf products); and (2) authorize the waiver of the policy in the national security interest of the United States.

Installation and connection policy and procedures regarding Defense Switch Network (sec. 353)

The House bill contained a provision (sec. 354) that would direct the Secretary of Defense to establish uniform policies and procedures throughout the Department for the installation and connection of telecom switches to the Defense Switch Network.

The Senate amendment contained a similar provision (sec. 348).

The House recedes with a clarifying amendment.

Subtitle G—Other Matters

Distribution of monthly reports on allocation of funds within operation and maintenance budget subactivities (sec. 361)

The House bill contained a provision (sec. 361) that would clarify that the monthly reports on operation and maintenance accounts that the Department of Defense is required to provide to Congress should be delivered to the congressional defense committees.

The Senate amendment contained no similar provision.

The Senate recedes.

Continuation of arsenal support program initiative (sec. 362)

The House bill contained a provision (sec. 364) that would extend the Arsenal Support Program Initiative through fiscal year 2004. The provision also required a report from the Secretary of the Army evaluating the Initiative's results.

The Senate amendment contained an identical provision (sec. 346).

The conference agreement includes this provision.

Extension of work safety demonstration program (sec. 363)

The Senate amendment contained a provision (sec. 350) that would extend by one year the authority for the work safety demonstration program through September 30, 2003.

The House bill contained no similar provision.

The House recedes.

Condition on authority of Defense Security Service to impose fees on fee-for-service basis (sec. 364)

The House bill contained a provision (sec. 363) that would prohibit the Secretary of Defense from converting the Defense Security Service (DSS) to a working capital-funded entity until the Secretary certifies that DSS has the requisite financial systems to support such operations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment clarifying that DSS is currently a working capital-funded entity but cannot impose fees on a fee-for-service basis until proper certification is provided.

Logistics support and services for weapon systems contractors (sec. 365)

The Senate amendment contained a provision (sec. 345) that would allow the Defense Logistics Agency (DLA) to provide services to weapon systems contractors on a reimbursable basis. The authority would be limited to no more than five contracts, with a total value of less than $100.0 million.

The House bill contained no similar provision.

The House recedes with an amendment specifying that, in accordance with section 2208(h), title 10, United States Code, all revenues from such contracts would be credited to DLA accounts.

Training range sustainment plan, Global Status of Resources and Training System, and training range inventory (sec. 366)

The House bill contained a provision (sec. 365) that would require the Secretary of Defense to develop a comprehensive plan for addressing training constraints caused by limitations on the use of military lands, marine areas, and airspace; a plan to modify the Global Status of Resources and Training System to better reflect the impact of such training constraints; and a training range inventory for each of the military services.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment clarifying the content and timing of the required plans and reports.

Engineering study and environmental analysis of road modifications in vicinity of Fort Belvoir, Virginia (sec. 367)

The Senate amendment contained a provision (sec. 349) that would provide $5.0 million to the Secretary of the Army to conduct a preliminary engineering and environmental study on the feasibility of providing an alternative to Beulah Road (State Route 613) and Woodlawn Road (State Route 618) at Fort Belvoir, Virginia, which were closed as a force protection measure. The Secretary would submit a summary report on the study and analysis to Congress with the budget justification materials for the fiscal year 2006 budget request.

The House bill contained no similar provision.

The House recedes.

The conferees are aware that other communities have been adversely impacted by the closure of public roads that traverse military installations and believe the communities that have lost access to thoroughfares constructed and maintained with local tax dollars should be appropriately compensated for this loss. The conferees understand that Fort Dix, New Jersey, and Fort Drum, New York, are among the communities affected by road closures. The conferees are also aware of a long-standing issue of road access on Andersen Air Force Base, Guam.

Accordingly, the conferees direct the Secretary of Defense to identify all localities affected by the closures of public roads on military installations to enhance force protection, to work with

local communities to find appropriate means, including compensation, to address these situations, and to include those measures in future budget requests as necessary.

Reauthorization of warranty claims recovery pilot program (sec. 368)

The conference agreement includes a provision (sec. 368) that would extend the warranty claims pilot program through September 30, 2004.

Expanded eligibility for loan, gift, or exchange of documents, historical artifacts, and condemned or obsolete combat materiel (sec. 369)

The conference agreement includes a provision (sec. 369) that would include nonprofit military aviation heritage foundations and associations among the entities eligible to receive transfers of excess Department of Defense (DOD) materiel.

The conferees authorize this expansion with the recognition that section 2572(d)(2) of title 10, United States Code, prescribes very limited circumstances under which DOD may bear the costs of demilitarizing equipment to make it safe for transfer. The conferees further note that, under existing statute, DOD is not responsible for the costs of operating, maintaining, or repairing equipment once it has been transferred. The conferees direct that any transfers made under this section be conducted in accordance with DOD regulations pertaining to the safe and secure operation of transferred equipment.

LEGISLATIVE PROVISIONS NOT ADOPTED

Calculation of five-year period of limitation for Navy-Marine Corps Intranet contract

The House bill contained a provision (sec. 351) that would authorize the Secretary of the Navy to extend the current contract for Navy-Marine Corps Intranet (NMCI) services from the current five years to seven years.

The Senate amendment contained a similar provision (sec. 342).

Because similar legislation has been enacted (Public Law 107–254), the conference report does not include either provision.

Clarification of required core logistics capabilities

The House bill contained a provision (sec. 335) that would expand the definition of core logistics capabilities to include acquisition logistics, supply management, system engineering, maintenance, and modification management.

The Senate amendment contained no similar provision.

The House recedes.

Cleanup of unexploded ordnance on Kaho'olawe Island, Hawaii

The Senate amendment contained a provision (sec. 314) that would require the Secretary of the Navy to continue cleanup activities on Kaho'olawe Island, Hawaii, until the Navy has inspected and assessed 100 percent of the island, cleared 75 percent of the

island in accordance with Tier One standards, and cleared 25 percent of the island in accordance with Tier Two standards.

The House bill contained no similar provision.

The Senate recedes.

Impact aid for children with severe disabilities

The Senate amendment contained a provision (sec. 332) that would authorize $5.0 million for continuation of the Department of Defense assistance program to local educational agencies that benefit dependents with severe disabilities.

The House bill contained no similar provision.

The Senate recedes on the provision.

The conferees agree to authorize $5.0 million of the funds available for Operation and Maintenance, Defense-Wide, for continuation of the Department of Defense assistance program to local educational agencies that benefit dependents with severe disabilities.

Lift support for mine warfare ships and other vessels

The Senate amendment contained a provision (sec. 351) that would authorize $10.0 million to be made available for implementing recommendations resulting from the Navy's Non-self Deployable Watercraft (NSDW) Study and the Joint Chiefs of Staff Focused Logistics Study, which are to determine the requirements of the Navy to provide lift support for mine warfare ships and other vessels. The provision would also reduce funding for mine countermeasures ship cradles by the same amount.

The House bill contained no similar provision.

The Senate recedes on the provision.

The conferees agree to authorize $10.0 million for implementing recommendations resulting from the Navy's Non-self Deployable Watercraft (NSDW) Study and the Joint Chiefs of Staff Focused Logistics Study and to reduce funding for mine countermeasures ship cradles by the same amount. The conferees are specifically not directing a particular solution to meeting lift support requirements.

Military readiness and the conservation of protected species

The House bill contained a provision (sec. 312) that would amend the Endangered Species Act of 1973 (Public Law 93–205) to prohibit further designations of critical habitat for endangered species in areas for which an Integrated Natural Resources Management Plan has been prepared under the Sikes Act (Public Law 86–797). The House provision would further amend the Endangered Species Act to require regulatory agencies to consider national security concerns in addition to economic impact prior to designating future areas of critical habitat.

The Senate amendment contained no similar provision.

The House recedes.

The conferees believe that all federal agencies, including the Armed Forces, should be required to comply with all federal environmental laws. However, due to their unique military training and operational responsibilities, the Armed Forces often face unique challenges in balancing the obligations to comply with envi-

ronmental laws and sustain military readiness. Examples of these challenges include increasing limitations and restrictions on lands and waters which are currently set aside for military training exercises as well as significant restrictions on the times and conditions under which military training exercises can be conducted. The conferees are concerned that future designations of critical habitat on military training ranges could have an adverse impact on the military's readiness capabilities.

The conferees strongly endorse the consultative process through which the military services work with the Fish and Wildlife Service to ensure the protection of threatened and endangered species by adopting effective Integrated Natural Resources Management Plans at military installations. The conferees are concerned that questions have been raised regarding whether the protections provided by these Integrated Natural Resources Management Plans, such as the one at Marine Corps Base, Camp Pendleton, California, are sufficient to avoid the need for future designations of critical habitat that could adversely affect military training. Nevertheless, the conferees encourage the Department of the Interior and the Department of Defense to pursue a cooperative approach in managing natural and cultural resources throughout the Armed Forces.

The conferees direct the Secretary of Defense to provide the Committees on Armed Services of the Senate and the House of Representatives recommendations for any legislative proposals that he considers necessary to accomplish these stated goals.

Minimum deduction from pay of certain members of the Armed Forces to support Armed Forces Retirement Home

The House bill contained a provision (sec. 362) that would require that the minimum amount deducted monthly from the pay of all active duty enlisted, warrant officer, and limited duty officer personnel for the support of the Armed Forces Retirement Home be no less than $1.

The Senate amendment contained no similar provision.

The House recedes.

National Army Museum, Fort Belvoir, Virginia

The Senate amendment contained a provision (sec. 306) that would authorize $100,000 to initiate planning and development efforts for the National Army Museum at Fort Belvoir, Virginia.

The House bill contained no similar provision.

The Senate recedes.

Navy data conversion activities

The Senate amendment contained a provision (sec. 352) that would authorize $1.5 million in Navy operation and maintenance funds for the Navy Data Conversion and Management Laboratory. The provision would offset this increase with a reduction of $1.5 million from Army operation and maintenance funds for utilities privatization.

The House bill contained no similar provision.

The Senate recedes.

Navy Pilot Human Resources Call Center, Cutler, Maine

The Senate amendment contained a provision (sec. 305) that would authorize $1.5 million of Navy operation and maintenance funds for the Navy Pilot Human Resources Call Center in Cutler, Maine.

The House bill contained no similar provision.

The Senate recedes on the provision. The Navy operation and maintenance table contained in this report describes the conference agreement for the Cutler call center.

Range Enhancement Initiative Fund

The Senate amendment contained a provision (sec. 304) that would authorize $20.0 million to create a new Range Enhancement Initiative Fund from which funds would be drawn to purchase easements or cover other costs incurred by the military departments resulting from agreements entered into under the authorities contained in section 2811 of the Senate amendment.

The House bill contained no similar provision.

The Senate recedes.

Reimbursement for reserve component intelligence support

The Senate amendment contained a provision (sec. 343) that would authorize the use of operation and maintenance funds of the military departments, combatant commands, and defense agencies to reimburse pay, allowances and other expenses when members of the National Guard and Reserve provide intelligence or counterintelligence support to such departments, commands, or agencies.

The House bill contained no similar provision.

The Senate recedes.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Active Forces

End strengths for active forces (sec. 401)

The House bill contained a provision (sec. 401) that would authorize the following end strengths for active duty personnel of the Armed Forces as of September 30, 2003:

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation	FY 2003 request	FY 2002 authorized
Army	480,000	480,000	484,800	4,800	4,800
Navy	376,000	375,700	379,457	3,757	3,457
USMC	172,600	175,000	175,000	0	2,400
Air Force	358,800	359,000	360,795	1,795	1,995
DOD Total	1,387,400	1,389,700	1,400,052	10,352	12,652

The Senate amendment contained a provision (sec. 401) that would authorize the following end strengths: Army, 485,000; Navy, 379,200; United States Marine Corps, 175,000; Air Force, 362,500.

The Senate recedes with an amendment that would authorize the following end strengths:

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation	FY 2003 request	FY 2002 authorized
Army	480,000	480,000	480,000	0	0
Navy	376,000	375,700	375,700	0	−300
USMC	172,600	175,000	175,000	0	2,400
Air Force	358,800	359,000	359,000	0	200
DOD Total	1,387,400	1,389,700	1,389,700	0	2,300

The conferees believe that the active duty end strengths should be increased substantially. This belief is based not only on the testimony of senior military officers who describe their personnel as stretched to the limit by ever-expanding missions and operations tempo, but also on the fact that more than 70,000 mobilized reservists remain on active duty a year after the start of the war on terrorism, and active duty tours for thousands more have been extended for a second year because the active components lack the manpower to meet requirements.

Furthermore, the conferees are disappointed that due to insufficient additional appropriations, the conference report was unable to include the increased active end strength authorizations recommended by the House and Senate in their separate bills.

That notwithstanding, in order to give the service secretaries and the Secretary of Defense more flexibility to man the force to meet mission requirements, the conferees have, in separate provisions, expanded the authority of the Secretary of Defense to increase active end strength from the current two percent to three percent above authorized levels. The conferees have also created new authority for the service secretaries, recognizing the practical limitations they face, to increase active end strength by two percent above authorized levels.

In recognition of the conferees' strong view that active duty end strength should not be reduced any further as well as the Secretary of Defense's apparent commitment to hold end strengths at or above the requested levels, another provision in this conference agreement (sec. 402) eliminates the Secretary of Defense's current authority to reduce end strength below authorized levels.

Revision in permanent end strength minimum levels (sec. 402)

The House bill contained a provision (sec. 402) that would establish end strength floors for the active forces equivalent to the end strengths recommended by the committee in section 401.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would establish end strength floors for the active forces equivalent to the end strengths contained in the budget request and would eliminate the Secretary of Defense's current authority to reduce end strength below authorized levels.

Expanded authority for administrative increases in statutory active-duty end strengths (sec. 403)

The House bill contained a provision (sec. 403) that would authorize the secretaries of the military departments to increase the

authorized active duty end strength of their respective military service by up to one percent.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would expand the authority of the Secretary of Defense to increase active duty end strength from the current two percent to three percent above authorized levels and would provide new authority for the service secretaries to increase active duty end strength by two percent above authorized levels.

This provision reflects the conferees' belief that the requested end strength is not sufficient and gives the service secretaries and the Secretary of Defense greater flexibility to increase end strength as needed to meet mission requirements.

General and flag officer management (sec. 404)

The House bill contained a provision (sec. 404) that would exclude an officer serving in the position of Senior Military Assistant to the Secretary of Defense from the limitation on active duty officers in grades above major general and rear admiral, increase by one the limit on the number of lieutenant generals authorized for the Marine Corps, require that the Chief of the Veterinary Corps of the Army serve in the grade of brigadier general, and require the Secretary of Defense to review and report to Congress on active duty and reserve general and flag officer authorizations. The grade requirements of this provision would be effective on the date of receipt by Congress of the report required by this provision.

The Senate amendment contained a provision (sec. 403) that would authorize one additional Marine Corps general officer in a grade above major general.

The Senate recedes with an amendment that would exclude an officer serving in the position of Senior Military Assistant to the Secretary of Defense from the limitation on active duty officers in grades above major general and rear admiral, increase by one the limit on the number of lieutenant generals authorized for the Marine Corps, and require the Secretary of Defense to review and report to Congress on active duty and reserve general and flag officer authorizations. The provision regarding the grade of the Senior Military Assistant to the Secretary of Defense would be effective on the date of receipt by Congress of the report on active duty and reserve general and flag officer authorizations. The provisions regarding the number of lieutenant generals in the Marine Corps would be effective upon date of enactment. The grade of the Chief of the Veterinary Corps of the Army is addressed in a separate provision.

Extension of certain authorities relating to management of numbers of general and flag officers in certain grades (sec. 405)

The House bill contained a provision (sec. 405) that would extend to December 31, 2004, three expiring authorities relating to general and flag officer management. Those authorities provide for: the process by which the Secretary of Defense and Chairman of the Joint Chiefs of Staff fill vacant senior joint four-star general and flag officer positions; the exemption of the senior joint four-star general and flag officers appointed by that process from the general and flag officer limits that apply to the military services; and the

process by which the Chairman of the Joint Chiefs of Staff designates and fills 12 general and flag officer positions on the joint staff and 10 reserve component general and flag positions on the staffs of the commanders of the unified and specified commands.

The Senate amendment contained a provision (sec. 501) that would extend these authorities to December 31, 2003.

The Senate recedes.

Increase in authorized strengths for Marine Corps officers on active duty in the grade of colonel (sec. 406)

The Senate amendment contained a provision (sec. 404) that would increase by 40 the authorized strength for colonels on active duty in the Marine Corps.

The House bill contained no similar provision.

The House recedes.

Subtitle B—Reserve Forces

End strengths for Selected Reserve (sec. 411)

The House bill contained a provision (sec. 411) that would authorize the following end strengths for the selected reserve personnel, including the end strength for reserves on active duty in support of the reserves, as of September 30, 2003:

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation (limit)	FY 2003 request	FY 2002 authorized
Army National Guard	350,000	350,000	350,000	0	0
Army Reserve	205,000	205,000	205,000	0	0
Naval Reserve	87,000	87,800	87,800	0	800
Marine Corps Reserve	39,558	39,558	39,558	0	0
Air National Guard	108,400	106,600	106,600	0	−1,800
Air Force Reserve	74,700	75,600	75,600	0	900
DOD Total	864,658	864,558	864,558	0	−100
Coast Guard Reserve	8,000	9,000	9,000	0	1,000

The Senate amendment contained an identical provision. The conference agreement includes this provision.

End strengths for Reserves on active duty in support of the reserves (sec. 412)

The House bill contained a provision (sec. 412) that would authorize the following end strengths for reserves on active duty in support of the reserves as of September 30, 2003:

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation	FY 2003 request	FY 2002 authorized
Army National Guard	23,698	23,768	24,562	794	864
Army Reserve	13,406	13,588	14,070	482	664
Naval Reserve	14,811	14,572	14,572	0	−239
Marine Corps Reserve	2,261	2,261	2,261	0	0
Air National Guard	11,591	11,697	11,697	0	106
Air Force Reserve	1,437	1,498	1,498	0	61
DOD Total	67,204	67,384	68,660	1,276	1,456

The Senate amendment contained a provision (sec. 412) that would authorize the following end strengths: the Army National Guard of the United States, 24,492; the Army Reserve, 13,888; the Naval Reserve, 14,572; the Marine Corps Reserve, 2,261; the Air National Guard of the United States, 11,727; the Air Force Reserve, 1,498.

The Senate recedes with an amendment that would authorize the following end strengths for reserves on active duty in support of the reserves as of September 30, 2003:

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation	FY 2003 request	FY 2002 authorized
Army National Guard	23,698	23,768	24,562	794	864
Army Reserve	13,406	13,588	14,070	482	664
Naval Reserve	14,811	14,572	14,572	0	−239
Marine Corps Reserve	2,261	2,261	2,261	0	0
Air National Guard	11,591	11,697	11,727	30	136
Air Force Reserve	1,437	1,498	1,498	0	61
DOD Total	67,204	67,384	68,690	1,306	1,486

End strengths for military technicians (dual status) (sec. 413)

The House bill contained a provision (sec. 413) that would authorize the following end strengths for military technicians (dual status) as of September 30, 2003:

Service	FY 2002 authorized	FY 2003		Change from	
		Request	Committee recommendation (limit)	FY 2003 request	FY 2002 authorized (limit)
Army National Guard	23,615	23,615	24,102	487	487
Army Reserve	6,249	6,349	6,599	250	350
Air National Guard	22,422	22,495	22,495	0	73
Air Force Reserve	9,818	9,911	9,911	0	93
DOD Total	62,104	62,370	63,107	737	1,003

The Senate amendment contained an identical provision (sec. 413).

The conference agreement includes this provision.

Fiscal year 2003 limitation on non-dual status technicians (sec. 414)

The House bill contained a provision (sec. 414) that would establish the following limits on the number of non-dual status technicians as of September 30, 2003:

Service	FY 2002 limit	FY 2003		Change from	
		Request	Committee recommendation (limit)	FY 2003 request	FY 2002 (limit)
Army National Guard	1,600	1,600	1,600	0	0
Army Reserve	1,095	995	995	0	−100
Air National Guard	350	350	350	0	0
Air Force Reserve	90	0	90	90	0
DOD Total	3,135	2,945	3,035	90	−100

The Senate amendment contained a provision (sec. 414) that would establish numerical limits on the number of non-dual status technicians who may be employed in the Department of Defense as of September 30, 2003, as follows: (1) Army National Guard of the United States, 1,600; (2) Air National Guard of the United States, 350; (3) Army Reserve, 995; and Air Force Reserve, 0.

The Senate recedes.

Subtitle C—Authorization of Appropriations

Authorization of appropriations for military personnel (sec. 421)

The House bill contained a provision (sec. 421) that would authorize a total of $93,725.0 million to be appropriated to the Department of Defense for military personnel.

The Senate amendment included a similar provision (sec. 421) that would authorize a total of $94.4 billion to be appropriated to the Department of Defense for military personnel.

The House recedes with an amendment that would authorize $93,829.5 million to be appropriated to the Department of Defense for military personnel.

The conferees provide the following itemization of the increases and decreases from the budget request related to the military personnel accounts:

[Additions in millions]

Military Personnel Funding in DERF	$22.9
ARNG National Guard AGR end strength increase	28.4
USAR AGR end strength increase	11.5
ANG AGR end strength increase	0.7
Total	63.5

[Reductions in millions]

Accrual payment to Uniformed Services Retiree Health Care Fund	$405.0
Savings from DOD proposals not adopted	14.8
Repeal of special compensation for severely disabled	53.9
Selective reenlistment bonus	16.5
$30K Lump Sum Bonus	28.9
Enlistment bonus	10.5
Total	529.6

LEGISLATIVE PROVISIONS NOT ADOPTED

Authority to increase strength and grade limitations to account for reserve component members on active duty in support of a contingency operation

The Senate amendment contained a provision (sec. 402) that would authorize the Secretary of Defense to increase the limit on active duty end strength by the number of members of the reserve components serving on active duty, with their consent, in support of a contingency operation.

The House bill contained no similar provision.

The Senate recedes.

TITLE V—MILITARY PERSONNEL POLICY

ITEMS OF SPECIAL INTEREST

Department of Defense education partnerships

The conferees recognize the importance of the continued growth and development of partnerships, using web-based technology, between the Department of Defense, high schools, and institutions of higher education in order to ensure that the services are able to effectively recruit and retain the most qualified service members. The conferees are also aware that the Department of Defense and the military services already have a number of ongoing initiatives to foster such education partnerships.

The conferees encourage the Department to pursue new partnerships, in a manner that is fully coordinated with ongoing initiatives, that will facilitate the enrollment and transfer of students with full recognition of credits among two-year and four-year institutions of higher education. Such new efforts could enhance education opportunities for minority men and women, a demographic that currently makes up nearly 40 percent of the enlisted members in the armed services.

Enrollments at Air Force Institute of Technology and Naval Postgraduate School

The conferees are concerned that the Air Force and the Navy are not heeding the previous directions, as specified in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) and the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), to produce sufficient numbers of military personnel with the requisite graduate level education in science, engineering, and technology.

The Air Force Institute of Technology and the Naval Postgraduate School are uniquely qualified to meet these graduate education requirements with specialized, military-relevant curricula. As noted by the Secretary of the Air Force and the Secretary of the Navy in March 2002, the Air Force and Navy are committed to maintaining each school as world-class, higher education institutions underpinned by their unique service heritage and character.

Despite such commitment by the secretaries, the conferees remain concerned that neither service is fully utilizing the military student enrollment capacity of these two institutions. Therefore, the conferees direct the Secretaries of the Air Force and the Navy to report 120 days after enactment of this Act their plans to increase the military student enrollment at both schools.

STARBASE resource and training center

The Department of Defense STARBASE Program is an effective community outreach program for youths ages six through 18 that is aimed at improving math and science skills. It also addresses drug use prevention, health, self-esteem, and life skills and exposes youth, parents, and teachers to the value of military service. It currently operates at 39 locations associated with active, guard, and reserve commands throughout the United States. At least seven additional locations are seeking STARBASE programs.

The conferees are encouraged that the Department is looking at ways to ensure that STARBASE academies are complying with program standardization requirements and maintaining quality control. The conferees urge the Department of Defense to implement a cost-effective system for providing program standardization and quality control during fiscal year 2003, to include consideration of establishing a STARBASE resource and training center.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Officer Personnel Policy

Extension of good-of-the-service waiver authority for officers appointed to a Reserve Chief or Guard Director position (sec. 501)

The House bill contained a provision (sec. 502) that would extend to December 31, 2004, the authority of the Secretary of Defense to waive the requirement for significant joint experience as a qualification for appointment as the Chief of the Army, Navy, Air Force, or Marine Corps Reserve or as Director of the Army or Air National Guard. The recommended provision would also require the Secretary of Defense to report to Congress the steps that he, together with the Chairman of the Joint Chiefs and the secretaries of the military departments, will take to ensure that no further extensions of this waiver authority will be required after 2004.

The Senate amendment contained a similar provision (sec. 502) that would extend the waiver authority from October 1, 2003 to December 31, 2003.

The Senate recedes with an amendment that would require the Secretary of Defense to submit by May 1, 2003, a report to the Committees on Armed Services of the Senate and the House of Representatives indicating what steps have been taken to ensure that Reserve and Guard officers receive significant joint duty experience and a date by which a waiver will no longer be required.

Exclusion of certain officers from limitation on authority to grant a waiver of required completion or sequencing for joint professional military education (sec. 502)

The Senate amendment contained a provision (sec. 503) that would repeal the 10 percent limitation on authority to grant officers, in grades below brigadier general and rear admiral (lower half), a waiver of the required sequence of joint professional military education and joint duty assignment.

The House bill contained no similar provision.

The House recedes with an amendment that would exclude only officers nominated and selected for the joint specialty pursuant to section 521 of the National Defense Authorization Act of Fiscal Year 2002 (Public Law 107–107) from the 10 percent limitation on authority to grant officers, in grades below brigadier general and rear admiral (lower half), a waiver of the required sequence of joint professional military education and joint duty assignment. This authority would expire on October 1, 2006.

Extension and codification of authority for recall of retired aviators to active duty (sec. 503)

The Senate amendment contained a provision (sec. 504) that would extend to September 30, 2008, the temporary authority for recall of retired aviators to active duty.

The House bill contained no similar provision.

The House recedes with a clarifying amendment that would terminate the authority to order retired aviators to active duty on September 30, 2008, and would allow officers ordered to active duty before that date to complete the period of active duty specified in an agreement entered into by the officer and the secretary concerned, even when that period of active duty extends beyond September 30, 2008.

Grades for certain positions (sec. 504)

The Senate amendment contained a provision (sec. 505) that would require that the heads of the Nurse Corps for the Army, Navy, and Air Force be appointed in the regular grade of major general or rear admiral. The Senate amendment contained another provision (sec. 906) that would provide statutory authorization for the Army Veterinary Corps and authorize appointment of the officer serving in this position in the regular grade of brigadier general.

The House bill contained a provision (sec. 404(c)) that would require that the Chief of the Veterinary Corps of the Army serve in the grade of brigadier general.

The House recedes with an amendment that would require that the heads of the Nurse Corps for the Army, Navy, and Air Force be appointed in the regular grade of major general or rear admiral and that the Chief of the Veterinary Corps of the Army serve in the grade of brigadier general. The amendment would also establish the positions of Chief of Legislative Liaison in the Departments of the Army and the Air Force to be filled by officers in the grade of major general; Chief of Legislative Affairs in the Department of the Navy to be filled by an officer in the grade of rear admiral; and Legislative Assistant to the Commandant of the Marine Corps to be filled by an officer in a grade above colonel.

Reinstatement of authority to reduce three-year time-ingrade requirement for retirement in grade for officers in grades above major and lieutenant commander (sec. 505)

The Senate amendment contained a provision (sec. 506) that would authorize, during the period from September 1, 2002, until December 31, 2004, waiver of one year of the three-year time-in-grade requirement for retirement for officers in grades above major and lieutenant commander. The amendment would require advance notice to the Committees on Armed Services of the Senate and House of Representatives and would authorize the Deputy Under Secretary of Defense for Personnel and Readiness to exercise this authority for flag and general officers and the service secretaries or assistant secretaries responsible for manpower and reserve affairs to exercise this authority for retirements in grades of lieutenant colonel and colonel, or, in the case of the Navy, commander and captain.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the Secretary of Defense to authorize the service secretaries to reduce the time-in-grade requirement for retirement to no less than two years for retirements effective between October 1, 2002, and December 31, 2003. The amendment would authorize a service secretary to approve an early retirement of a flag or general officer only if approved by the Secretary of Defense or a Senate- confirmed civilian official in the Office of the Secretary of Defense. The amendment would require advance notice to the Committees on Armed Services of the Senate and the House of Representatives of the exercise of this authority for officers retired in general of flag officer grades.

Authority to require that an officer take leave pending review of a recommendation for removal by a board of inquiry (sec. 506)

The Senate amendment contained a provision (sec. 552) that would authorize the service secretaries to require an officer to take leave (including excess leave) while awaiting a secretary's action on a board of inquiry's recommendation that the officer not be retained on active duty.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Subtitle B—Reserve Component Management

Reviews of National Guard strength accounting and management and other issues (sec. 511)

The House bill contained a provision (sec. 511) that would require the Comptroller General to submit a report to Congress on management of the National Guard. The recommended provision would also require the Secretary of Defense to submit a report to Congress on the differing Army and Air Force policies for taking adverse administrative actions against National Guard officers in a State status.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Courts-martial for the National Guard when not in Federal service (sec. 512)

The House bill contained a provision (sec. 512) that would update and streamline the administration of military justice in the National Guard when it is not in a federal status and would require the Secretary of Defense to develop a model state Uniform Code of Military Justice and a model state Manual for Courts-Martial.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Fiscal year 2003 funding for military personnel costs of reserve component Special Operations Forces personnel engaged in humanitarian assistance activities relating to clearing of landmines (sec. 513)

The Senate amendment contained a provision (sec. 341) that would amend section 401(c) of title 10, United States Code, to allow up to 10 percent of the funding for a fiscal year for humanitarian and civic assistance to be expended for the pay and allowances of reserve component personnel of the Special Operations Command (SOCOM) performing duty in connection with training and activities related to the clearing of landmines for humanitarian purposes.

The House bill contained no similar provision.

The House recedes with an amendment that authorizes for fiscal year 2003 funds appropriated to a military department for reserve component personnel to reimburse military personnel expenses of Special Operations Forces of reserve components engaged in humanitarian demining training and activities. The total expenses incurred in this way cannot exceed 10 percent of the operation and maintenance funding for humanitarian demining, and the military services must be fully reimbursed. The conferees direct the Secretary of Defense, as part of the fiscal year 2004 budget request, to submit a legislative proposal that ensures that the military personnel expenses of active and reserve components employed in humanitarian demining activities are defined in detail and budgeted, authorized, and appropriated from military personnel accounts.

Use of Reserves to perform duties relating to defense against terrorism (sec. 514)

The Senate amendment contained a provision (sec. 1043) that would change the definition of the term "weapons of mass destruction" in sections 12304 and 12310 of title 10, United States Code, so as to include any large conventional explosive that is designed to produce catastrophic loss of life or property.

The House bill contained no similar provision.

The House recedes with an amendment that would not change the definition of the term "weapons of mass destruction" but would amend sections 12303 and 12310 of title 10, United States Code, to authorize the use of the reserves to perform duties relating to defense against a terrorist attack or a threatened terrorist attack that results, or could result, in catastrophic loss of life or property.

Repeal of prohibition on use of Air Force Reserve AGR personnel for Air Force base security functions (sec. 515)

The Senate amendment contained a provision (sec. 513) that would repeal the prohibition on the use of Air Force Reserve AGR personnel for Air Force base security functions.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Reserve Component Officer Personnel Policy

Eligibility for consideration for promotion to grade of major general for certain reserve component brigadier generals who do not otherwise qualify for consideration for promotion under the one-year rule (sec. 521)

The House bill contained a provision (sec. 522) that would permit reserve brigadier generals of the Army and Air Force to be eligible for promotion with less than one year on the reserve active status list or the active-duty list (or combination of both lists) when the following three factors apply to the officer:

(1) The officer had been transferred from an inactive status to the active status list during the one-year period preceding the date of the convening of the promotion board.

(2) The officer had been in an inactive status for less than one year immediately before the officer's most recent transfer to an active status.

(3) The officer had continuously served for at least one year on the reserve active status list or the active duty list (or a combination of both lists) before the officer's most recent transfer to an inactive status.

The Senate amendment contained no similar provision.

The Senate recedes.

Authority for limited extension of medical deferment of mandatory retirement or separation of reserve component officers (sec. 522)

The Senate amendment contained a provision (sec. 512) that would authorize the service secretaries to defer the mandatory retirement or separation of a Reserve component officer for 30 days after completion of an evaluation requiring hospitalization or medical observation to determine the officer's entitlement to retirement or separation for physical disability.

The House bill contained a similar provision (sec. 524).

The House recedes with a technical amendment.

Subtitle D—Enlistment, Education, and Training Programs

Enlistment incentives for pursuit of skills to facilitate national service (sec. 531)

The Senate amendment contained a provision (sec. 541) that would authorize unique incentives to encourage individuals to volunteer to serve the Nation through enlisting in the Armed Forces. Individuals who volunteer under this program would be required to serve on active duty for 15 months after completion of initial entry training and could complete the remainder of their military service obligation by choosing service on active duty, in the Selected Reserve, in the Individual Ready Reserve, or in another national service program designated by the Secretary of Defense. Participants would be required to meet all eligibility requirements for military service and would elect one of the following incentives: (1) a $5000 bonus payable after completion of 15 months of active duty, (2) repayment of a qualifying student loan not to exceed $18,000, (3) an educational allowance at the monthly rate payable under the Montgomery GI Bill for 12 months, or (4) an educational allowance of

two-thirds of the monthly rate payable under the Montgomery GI Bill for 36 months. Program participants who are otherwise qualified and volunteer to continue serving on active duty may be considered for reenlistment or extension on active duty and any additional benefits for which they may be eligible.

The House bill contained no similar provision.

The House recedes with an amendment that would require an enlistee, upon completion of the initial obligated period of service, to serve an additional period on active duty as determined by the Secretary of Defense or 24 months in an active status in the Selected Reserve, then to serve the remaining period of obligated service on active duty, in the Selected Reserve, in the Individual Ready Reserve, in the Peace Corps, Americorps, or other national service program, or some combination of these. The amendment would also change the bonus amount for 36 months of educational assistance from two-thirds to one-half of the monthly rate payable for basic educational assistance under the Montgomery GI Bill.

Authority for phased increase to 4,400 in authorized strengths for the service academies (sec. 532)

The House bill contained a provision (sec. 531) that would permit the secretaries of the military departments, beginning with classes entering the service academies during the 2003–2004 academic year, to increase the end strengths for cadets or midshipmen from the current limit of 4,000 to 4,400 in annual increments of up to 100.

The Senate amendment contained a similar provision (sec. 521).

The Senate recedes.

Enhancement of reserve component delayed training program (sec. 533)

The House bill contained a provision (sec. 532) that would authorize members who enlist in the reserve delayed training program to remain in that program for one year, a full three months longer than authorized in current law.

The Senate amendment contained a similar provision (sec. 511).

The Senate recedes.

Review of Armed Forces programs for preparation for, participation in, and conduct of athletic competitions (sec. 534)

The House bill contained a provision (sec. 533) that would authorize members and units of the National Guard to use appropriated funds to conduct and participate in qualifying athletic and small arms competitions.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to conduct a comprehensive review of the programs of the active and reserve components of the Armed Forces for preparation for, participation in, and conduct of athletic competitions. The amendment would also require the Secretary to report to the Committees on Armed Services of the Senate and the House of Representatives by March 3, 2003, on: (1) the adequacy

of funding sources for athletic competitions, (2) recommendations regarding limitations on the use of the funding sources or inadequacies in the funding for athletic competitions, (3) an assessment of, and recommendations for, achieving consistent funding and policy treatment regarding the participation of active and reserve component personnel in athletic competitions, and (4) any recommended legislation.

Repeal of bar to eligibility of Army College First Program participants for benefits under student loan repayment program (sec. 535)

The conference agreement includes a provision that would repeal the bar to eligibility for Educational Loan Repayment Programs for persons receiving allowances for participating in the College First Program.

Subtitle E—Decorations, Awards, and Commendations

Waiver of time limitations for award of Army Distinguished-Service Cross to certain persons (sec. 541)

The Senate amendment contained a provision (sec. 531) that would waive the statutory time limits for award of military decorations to certain individuals who have been recommended by the service secretaries for these awards.

The House bill contained a similar provision (sec. 541).

The House recedes with an amendment that would remove the waiver of time limit for awards of the Distinguished Flying Cross of the Navy because the time limit for this award is not set forth in statute and may be waived by the Secretary of the Navy.

Option to convert award of Armed Forces Expeditionary Medal awarded for Operation Frequent Wind to Vietnam Service Medal (sec. 542)

The House bill contained a provision (sec. 542) that would authorize eligible veterans to receive the Vietnam Service Medal in lieu of a previously awarded Armed Forces Expeditionary Medal for participation in Operation Frequent Wind, the evacuation of Vietnam conducted on April 29 and 30, 1975.

The Senate amendment contained no similar provision.

The Senate recedes.

Korea Defense Service Medal (sec. 543)

The Senate amendment contained a provision (sec. 532) that would require the service secretaries to issue a campaign medal, to be known as the Korea Defense Service Medal, to military personnel who served in the Republic of Korea, or the adjacent waters, between July 28, 1954, and a termination date determined by the Secretary of Defense, and who meet prescribed service requirements for eligibility.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Commendation of military chaplains (sec. 544)

The Senate amendment contained a provision (sec. 1069) that would express Congress's appreciation for the outstanding contributions of military chaplains and would authorize and request the President to issue a proclamation calling on the people of the United States to recognize the distinguished service of the Nation's military chaplains.

The House bill contained no similar provision.

The House recedes.

Subtitle F—Administrative Matters

Staffing and funding for Defense Prisoner of War/Missing Personnel Office (sec. 551)

The House bill contained a provision (sec. 551) that would require the Secretary of Defense to ensure that the Defense Prisoner of War/Missing in Action Office (DPMO) is provided sufficient personnel and funding to enable the DPMO to fully perform its complete range of missions. The provision would also prohibit reducing the number of military and civilian personnel assigned or detailed to DPMO below the number requested in the President's budget for fiscal year 2003 unless such a reduction is expressly required by law.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

The conferees note that the budget request for fiscal year 2003 provides for 46 military personnel and 69 civilian personnel and includes a funding request for $16.0 million.

Three-year freeze on reductions of personnel of agencies responsible for review and correction of military records (sec. 552)

The House bill contained a provision (sec. 552) that would preclude the secretaries of the military departments from reducing the number of military and civilian personnel assigned to duty within the review boards agencies through fiscal year 2005 until 90 days after the secretary of the military department concerned submits a report that describes the proposed reduction, provides the rationale for the reduction, and specifies the number of personnel that will be assigned to the board after the reduction is complete.

The Senate amendment contained no similar provision.

The Senate recedes.

Authority for acceptance of voluntary services of individuals as proctors for administration of Armed Services Vocational Aptitude Battery test (sec. 553)

The House bill contained a provision (sec. 554) that would authorize the secretaries concerned to accept the voluntary services of educators and other individuals to assist recruiters in administering the Armed Services Vocational Aptitude Battery test to high school students.

The Senate amendment contained a similar provision (sec. 1062).

The Senate recedes with a technical amendment.

Extension of temporary early retirement authority (sec. 554)

The conference agreement includes a provision that would extend the active force drawdown period from December 31, 2001, to September 1, 2002, for purposes of temporary authority to approve retirements of members with at least 15 but less than 20 years of active service.

Subtitle G—Matters Relating to Minorities and Women in the Armed Forces

Surveys of racial and ethnic issues and of gender issues in the Armed Forces (sec. 561)

The Senate amendment contained a provision (sec. 551) that would require the Secretary of Defense to conduct two separate biennial surveys, rather than a single annual survey, to identify and assess racial, ethnic, and gender issues and discrimination among members of the Armed Forces serving on active duty and the extent (if any) of "hate group" activity among such members.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to carry out four quadrennial surveys (each in a separate year) to identify and assess racial, ethnic, and gender issues and discrimination among members of the Armed Forces, active and reserve, and the extent (if any) of "hate group" activity among such members.

Annual report on status of female members of the Armed Forces (sec. 562)

The House bill contained a provision (sec. 555) that would require the Secretary of Defense to submit an annual report to the Committees on Armed Services of the Senate and the House of Representatives on the status of female members of the Armed Forces regarding assignments and assignment policies, deployment, promotion and retention rates, sexual harassment, and other personnel issues.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment clarifying the matters to be included in the report and requiring that the report be submitted for each of the fiscal years 2002 through 2006.

Wear of abayas by female members of the Armed Forces in Saudi Arabia (sec. 563)

The Senate amendment contained a provision (sec. 554) that would prohibit requiring or encouraging service members to wear an abaya while serving in Saudi Arabia, taking adverse action against members for choosing not to wear an abaya while serving in Saudi Arabia, and using Department of Defense funds to procure abayas for issuance to military personnel serving in Saudi Arabia. The provision would also require instruction to female service members ordered to duty in Saudi Arabia about this prohibition.

The House bill contained no similar provision.

The House recedes with an amendment that would afford more flexibility in the timing of instruction to service members regarding this provision and would delete the prohibition on taking adverse

action against members for choosing not to wear an abaya while serving in Saudi Arabia. The conferees believe that this prohibition against adverse action is unnecessary because service members could not be required or encouraged to wear an abaya if this provision is enacted.

Subtitle H—Benefits

Department of Defense support for persons participating in military funeral honors details (sec. 571)

The House bill contained a provision (sec. 553) that would authorize the Secretary of Defense to prescribe a flat-rate daily stipend for military retirees and others who are not service members or government employees participating in funeral honors details. The stipend would be paid in lieu of separate payments for transportation and miscellaneous expenses.

The Senate amendment contained a similar provision (sec. 553).

The Senate recedes with a technical amendment.

Emergency leave of absence program (sec. 572)

The House bill contained a provision (sec. 561) that would authorize a service member to transfer accrued leave to another member when the recipient is likely to require a prolonged absence from duty due to a medical condition of a family member or other hardship condition.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize service secretaries to grant a service member a one-time emergency leave of absence of up to 14 days for a qualifying emergency. This emergency leave of absence could be granted only to prevent the member from entering unearned leave status or excess leave status.

Enhanced flexibility in medical loan repayment program (sec. 573)

The House bill contained a provision (sec. 562) that would repeal the bar against providing loan repayment benefits to participants in the Armed Forces health professions scholarship and financial assistance program and would remove the limit on the total benefit that may be paid.

The Senate amendment contained no similar provision.

The Senate recedes.

Destinations authorized for Government paid transportation of enlisted personnel for rest and recuperation absence upon extending duty at designated locations overseas (sec. 574)

The Senate amendment contained a provision (sec. 633) that would authorize enlisted personnel, who agree to extend an overseas tour for a period of not less than one year, the option of round-trip transportation to: (1) the nearest port in the 48 contiguous states, or (2) an alternative destination at equal or lesser cost.

The House bill contained a similar provision (sec. 563).

The House recedes with a technical amendment.

Vehicle storage in lieu of transportation when member is ordered to a nonforeign duty station outside continental United States (sec. 575)

The House bill contained a provision (sec. 564) that would authorize members to store a privately owned vehicle when the member is ordered to a duty station in a nonforeign area outside the continental United States and the shipment of a vehicle is prohibited or contingent upon completion of extensive modification.

The Senate amendment contained a similar provision (sec. 634).

The Senate recedes.

SUBTITLE I—REPORTS

Quadrennial quality of life review (sec. 581)

The Senate amendment contained a provision (sec. 1034) that would require the Secretary of Defense to conduct a quadrennial quality of life review to examine the quality of life of members of the Armed Forces.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Report on desirability and feasibility of consolidating separate courses of basic instruction for judge advocates (sec. 582)

The House bill contained a provision (sec. 572) that would require the Secretary of Defense to study the feasibility and desirability of consolidating the separate Army, Navy and Air Force courses of basic instruction for judge advocates at a single location.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees are aware of, and pleased with, the exceptional quality of the various courses of study taught at each of the separate service schools for judge advocates. The conferees expect the Secretary and the military departments to continue to offer judge advocate education of this high caliber.

Reports on efforts to resolve status of Captain Michael Scott Speicher, United States Navy (sec. 583)

The Senate amendment contained a provision (sec. 1035) that would require the Secretary of Defense, in consultation with the Secretary of State and the Director of Central Intelligence, to submit to Congress a report no later than 60 days after enactment of this Act and every 90 days thereafter on the efforts of the United States Government to determine the status of Captain Michael Scott Speicher, U.S. Navy. The reports would discuss direct and indirect contacts with the Government of Iraq, requests to other governments for assistance, leads, and cooperation from nongovernmental organizations or international organizations pertaining to resolving the status of Captain Speicher.

The House bill contained no similar provision.

The House recedes with an amendment that would have the Secretary submit a report no later than 90 days after the enactment of this Act and every 120 days thereafter, would provide for the reports to cease upon a final determination regarding the sta-

tus of Michael Scott Speicher by the Secretary of Defense, and would make other clarifying amendments.

Report on volunteer services of members of the reserve components in emergency response to the terrorist attacks of September 11, 2001 (sec. 584)

The Senate amendment contained a provision (sec. 1039) that would require the Secretary of Defense to report on volunteer services performed by members of the reserve components not in an official status in response to the September 11, 2001, terrorist attacks on the World Trade Center and the Pentagon.

The House bill contained no similar provision.

The House recedes with an amendment that would require that the report be submitted no later than 180 days after enactment of this Act, include volunteer services performed in the vicinity of Shanksville, Pennsylvania, in responding to the crash of United Airlines Flight 93, and discuss any recognition that the Secretary considers appropriate.

LEGISLATIVE PROVISIONS NOT ADOPTED

Exemption from active status strength limitation for reserve component general and flag officers serving on active duty in certain joint duty assignments designated by the Chairman of the Joint Chiefs of Staff

The House bill contained a provision (sec. 521) that would exempt the 10 reserve component general and flag officers who are serving on active duty in designated positions on the joint staffs of the commanders of the unified and specified commands from counting against the numbers of reserve component general and flag officers authorized by section 12004 of title 10, United States Code.

The Senate amendment contained no similar provision.

The House recedes.

Matching funds requirements under National Guard Youth Challenge Program

The House bill contained a provision (sec. 513) that would increase the amount of assistance the Department of Defense may provide to a state program of the National Guard Challenge Program for a fiscal year not to exceed 75 percent of the state program during that fiscal year.

The Senate amendment contained no similar provision.

The House recedes.

Military recruiter access to institutions of higher education

The Senate amendment contained a provision (sec. 542) that would encourage and facilitate military service by requiring institutions of higher education receiving assistance under the Higher Education Act of 1965 (Public Law 89–329) to provide military recruiters: (1) the same access to students and the institution as is provided to prospective employers, and (2) upon request, access to the names, addresses, and telephone listings of students, except for the information of students who have submitted a request that the information not be released without prior written consent.

The House bill contained no similar provision.

The Senate recedes.

Retention of promotion eligibility for reserve component general and flag officers transferred to an inactive status

The House bill contained a provision (sec. 523) that would permit reserve officers selected for promotion to major general and rear admiral to retain their promotion eligibility and, if otherwise qualified, be promoted to the higher grade upon returning to an active status from an inactive status.

The Senate amendment contained no similar provision.

The House recedes.

Right of convicted accused to request sentencing by military judge

The House bill contained a provision (sec. 571) that would allow a convicted accused at a court-martial composed of a military judge and court members to request that the sentence be adjudged by a military judge rather than the court members.

The Senate amendment contained no similar provision.

The House recedes.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Pay and Allowances

Increase in basic pay for fiscal year 2003 (sec. 601)

The House bill contained a provision (sec. 601) that would increase basic pay by a minimum of 4.1 percent for all members of the uniformed services and would provide additional increases to mid-grade and senior non-commissioned officers and mid-grade officers.

The Senate amendment contained an identical provision (sec. 601).

The conference agreement includes this provision.

Basic allowance for housing in cases of low-cost or no-cost moves (sec. 602)

The Senate amendment contained a provision (sec. 603) that would extend to locations outside the United States the authority to pay the basic allowance for housing based on the member's former duty assignment when the member's reassignment is a low-cost or no-cost permanent change of station or permanent change of assignment. This authority currently applies only to assignments within the United States.

The House bill contained a similar provision (sec. 602).

The House recedes.

Rate of basic allowance for subsistence for enlisted personnel occupying single Government quarters without adequate availability of meals (sec. 603)

The Senate amendment contained a provision (sec. 602) that would authorize payment of an increased amount of basic allowance for subsistence to enlisted members who are assigned to sin-

gle Government quarters without adequate availability of meals from a Government messing facility.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Subtitle B—Bonuses and Special and Incentive Pays

One-year extension of certain bonus and special pay authorities for reserve forces (sec. 611)

The House bill contained a provision (sec. 611) that 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, 2003.

The Senate amendment contained an identical provision (sec. 611).

The conference agreement includes this provision.

One-year extension of certain bonus and special pay authorities for certain health care professionals (sec. 612)

The House bill contained a provision (sec. 612) that 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, 2003. The provision would also extend the authority for repayment of educational loans for certain health care professionals who serve in the selected reserve until January 1, 2004.

The Senate amendment contained an identical provision (sec. 612).

The conference agreement includes this provision.

One-year extension of special pay and bonus authorities for nuclear officers (sec. 613)

The House bill contained a provision (sec. 613) that would extend the authority for the special pay for nuclear-qualified officers extending the period of active service, the nuclear career accession bonus, and the nuclear career annual incentive bonus until December 31, 2003.

The Senate amendment contained an identical provision (sec. 613).

The conference agreement includes this provision.

One-year extension of other bonus and special pay authorities (sec. 614)

The House bill contained a provision (sec. 614) that 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, 2003.

The Senate amendment contained an identical provision (sec. 614).

The conference agreement includes this provision.

Increase in maximum rates for certain special pays, bonuses, and financial assistance for health care professionals (sec. 615)

The Senate amendment contained a provision (sec. 615) that would increase to $25,000 the maximum amount of the multiyear retention bonus for certain medical officers. The Senate amendment contained another provision (sec. 616) that would increase to $50,000 the maximum amount payable as special incentive pay for certain medical officers of the Armed Forces for service during any 12-month period beginning after fiscal year 2002.

The House bill contained no similar provision.

The House recedes with an amendment that would combine the two Senate provisions and would increase: (1) the maximum multiyear retention bonus to $50,000 for certain medical officers, including dentists; (2) the maximum retention special pay for optometrists to $15,000; (3) the maximum accession bonus for registered nurses to $30,000; and (4) the maximum incentive pay for nurse anesthetists to $50,000. The amendment would also convert the special pay for pharmacy officers to a retention special pay not to exceed $15,000 for a 12-month period and, for nurse officer candidates, would increase the maximum accession bonus to $10,000 and the maximum monthly stipend to $1000.

Assignment incentive pay (sec. 616)

The Senate amendment contained a provision (sec. 617) that would authorize the service secretaries, with the concurrence of the Secretary of Defense, to pay a monthly incentive pay of up to $1,500 to members serving in designated assignments.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize payment of assignment incentive pay for the period specified in a written agreement between the member and the secretary concerned and would provide that no agreements may be entered into after December 31, 2005.

Increase in maximum rates for prior service enlistment bonus (sec. 617)

The House bill contained a provision (sec. 616) that would increase the maximum rates paid to reservists with critical skills under the prior service enlistment bonus to $8,000 in the case of a member who enlists for six years, to $4,000 in the case of a member who enlists for three years, and to $3,500 in the case of a member who received a prior bonus for a three-year enlistment and who reenlists or extends for an additional three years.

The Senate amendment contained an identical provision (sec. 618).

The conference agreement includes this provision.

Retention incentives for health care professionals qualified in a critical military skill (sec. 618)

The House bill contained a provision (sec. 617) that would amend the critical skill retention bonus to provide exceptions to the limits on bonus amounts and years of service for bonuses paid to health care professionals.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Subtitle C—Travel and Transportation Allowances

Extension of leave travel deferral period for members performing consecutive overseas tours of duty (sec. 621)

The House bill contained a provision (sec. 631) that would authorize members who have been granted travel and transportation allowances in connection with a consecutive overseas tour to defer those benefits for the full duration of the additional tour of duty. If the member is unable to undertake the travel before the completion of the additional tour because of duty in connection with a contingency operation, the provision would authorize the member to defer the travel and transportation for a year after the date on which the member's duty in connection with the contingency operation duty ends.

The Senate amendment contained a similar provision (sec. 631).

The Senate recedes with a clarifying amendment.

Transportation of motor vehicles for members reported missing (sec. 622)

The Senate amendment contained a provision (sec. 632) that would authorize shipment of two privately owned motor vehicles when transportation of household and personal effects is authorized at government expense in the case of members who are officially reported as dead, injured, ill, or absent for a period of more than 29 days in a missing status.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Subtitle D—Retired Pay and Survivor Benefits

Permanent reduction from eight to six in number of years of reserve service required for eligibility for retired pay for non-regular service (sec. 631)

The House bill contained a provision (sec. 642) that would reduce the number of years of continuous reserve component service required immediately before qualifying for non-regular retired pay from eight to six.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Increased retired pay for enlisted Reserves credited with extraordinary heroism (sec. 632)

The Senate amendment contained a provision (sec. 642) that would authorize a 10 percent increase in the retired pay of an en-

listed member of a Reserve component when the member has been credited with extraordinary heroism in the line of duty. The amount of retired pay, including the 10 percent increase, would not exceed 75 percent of the member's retired base pay.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Elimination of possible inversion in retired pay cost-of-living adjustment for initial COLA computation (sec. 633)

The House bill contained a provision (sec. 643) that would prevent partial-year retired pay cost-of-living adjustments (COLAs) in the first year of retirement from exceeding the COLA paid to retirees who were retired for the entire year.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Technical revisions to so-called "forgotten widows" annuity program (sec. 634)

The House bill contained a provision (sec. 644) that would make technical and administrative changes to section 644 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) that addressed annuities for certain military surviving spouses.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would eliminate the provision precluding retroactive benefits.

Expansion of authority of Secretary of Defense to waive time limitations on claims against the Government for military personnel benefits (sec. 635)

The Senate amendment contained a provision (sec. 643) that would authorize the Secretary of Defense to waive the statute of limitations for claims involving uniformed service members' pay, allowances, travel, transportation, payments for unused accrued leave, retired pay, and survivor benefits.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Special compensation for certain combat-related disabled uniform services retirees (sec. 636)

The House bill contained a provision (sec. 641) that would phase in over five years repeal of the prohibition against receipt of both military retired pay and veterans' disability compensation for veterans whose disability is rated 60 percent or higher.

The Senate amendment contained a similar provision (sec. 641) that would repeal the prohibition against receipt of both military retired pay and veterans' disability compensation.

The Senate recedes with an amendment that would authorize special compensation for uniformed services retirees who completed at least 20 years of service creditable for retirement and who incurred a qualifying combat-related disability. A qualifying combat-related disability is: (1) any disability rated at 10 percent or higher attributable to an injury for which the member was awarded the Purple Heart; or (2) a service-connected disability rated at 60 per-

cent or higher incurred as a direct result of armed conflict, while engaged in hazardous service, in the performance of duty under conditions simulating war, or through an instrumentality of war. The amount of the special compensation would be equal to the amount of veterans' disability compensation to which the retiree would be entitled based solely for the combat-related disability without regard to sections 5304 and 5305 of title 38, United States Code. This provision would be effective no later than 180 days after enactment.

Subtitle E—Montgomery GI Bill

Time limitation for use of Montgomery GI Bill entitlement by members of the Selected Reserve (sec. 641)

The Senate amendment contained a provision (sec. 652) that would extend from 10 to 14 years the maximum period that a member of the Selected Reserve can use educational benefits provided under the Montgomery GI Bill for the Selected Reserve.

The House bill contained a similar provision (sec. 651).

The House recedes.

Repayment requirements under reserve component Montgomery GI Bill arising from failure to participate satisfactorily in military service to be considered debts owed to the United States (sec. 642)

The Senate amendment contained a provision (sec. 653) that would treat an obligation to pay a refund to the United States for certain educational assistance as a debt to the United States when the obligation to pay the refund was incurred because the member failed to participate satisfactorily in the Selected Reserve.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Technical adjustments to authority for certain members to transfer educational assistance under Montgomery GI Bill to dependents (sec. 643)

The Senate amendment contained a provision (sec. 655) that would clarify that dependents of active duty military personnel would receive transferred Montgomery GI Bill benefits at the veterans' rate rather than the in-service rate.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the Department of Veterans Affairs to make payments attributable to increased usage of benefits as a result of transfers of Montgomery GI Bill entitlement from the Department of Defense Education Benefits Fund or from appropriations made to the Department of Transportation.

Subtitle F—Other Matters

Payment of interest on student loans (sec. 651)

The Senate amendment contained a provision (sec. 656) that would authorize the Secretary of Defense to pay interest on student

loans of service members for three years during their first term of service.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Additional authority to provide assistance for families of members of the Armed Forces (sec. 652)

The Senate amendment contained a provision (sec. 651) that would make permanent the temporary authority to provide assistance to families of members of the Armed Forces serving on active duty to ensure that the children of such families obtain needed child care, education, and other youth services.

The House bill contained no similar provision.

The House recedes.

Repeal of authority for acceptance of honoraria by personnel at certain Department of Defense schools (sec. 653)

The Senate amendment contained a provision (sec. 654) that would repeal a limited exemption from the ban on receipt of honoraria by military and civilian faculty members and students at the three service academies and certain Department of Defense professional military schools. The exemption limits acceptance of honoraria to $2,000.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Addition of definition of continental United States in title 37 (sec. 654)

The House bill contained a provision (sec. 661) that would amend section 101 of title 37, United States Code, to include the definition of continental United States as the 48 contiguous states and the District of Columbia.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

LEGISLATIVE PROVISIONS NOT ADOPTED

Minimum levels of hardship duty pay for duty on the ground in Antarctica or on Arctic icepack

The House bill contained a provision (sec. 615) that would specify a hardship duty pay rate of no less than $240 per month for duty performed by service members on the ground in Antarctica or on the Arctic icepack.

The Senate amendment contained no similar provision.

The House recedes.

The conferees direct that the issue of payment of special and incentive pays for reservists who perform frequent and continuous duty on ski-equipped aircraft operating in the polar regions while assigned temporarily to locations where extremely harsh conditions are encountered be included in the reserve component personnel compensation review directed in the Senate report accompanying S. 2514 (S. Rept. 107–151) and in the Comptroller General review of compensation and benefits for reserve component members directed in the House report accompanying H.R. 4546 (H. Rept. 107–436).

Modification of amount of back pay for members of Navy and Marine Corps selected for promotion while interned as prisoners of war during World War II to take into account changes in consumer price index

The Senate amendment contained a provision (sec. 657) that would modify the amount of back pay determined for a member of the Navy or Marine Corps selected for promotion while interned as a prisoner of war during World War II to reflect increases in the cost of living.

The House bill contained no similar provision.

The Senate recedes.

TITLE VII—HEALTH CARE PROVISIONS

ITEMS OF SPECIAL INTEREST

Civil-military partnership education programs related to sexual health decision-making

The conferees are aware of collaborative civil-military partnership education programs related to sexual health decision- making that may have benefits in the reduction of unintended pregnancies and sexually transmitted infections among military personnel. Such efforts have the potential to contribute to improving both the readiness and health of military personnel in all services. The conferees direct the Department of Defense to examine such collaborative programs and consider their use by other services.

Naval Medical Research Center cooperative agreements

The conferees encourage the Secretary of the Navy, acting through the Director of the Naval Medical Research Center, to enter into cooperative agreements with administrators of donor banks to provide for cooperation between the Bone Marrow Registry of the Naval Medical Research Center and the donor banks. In light of the fact that bone marrow donor searches for minority groups take nearly twice as long as searches for non-minorities, the Director is encouraged to give a high priority to selecting donor banks that emphasize the involvement of members of minority groups as donors of tissue or as patients.

TRICARE in Alaska

The conferees are well aware of the unique challenges in providing health care to military beneficiaries in Alaska. Geographic impacts on access to care, limited managed care initiatives, and the level of reimbursement rates demand constant and local oversight of the military health care delivery system to ensure adequate and appropriate access for military beneficiaries. The conferees commend the local military treatment facility commanders for the arrangements that have been established with local health care providers and other federal health care entities to ensure timely access to quality care. The conferees urge the Secretary of Defense to exclude Alaska from fiscal year 2003 managed care contracts.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Health Care Program Improvements

Elimination of requirement for TRICARE preauthorization of inpatient mental health care for medicare-eligible beneficiaries (sec. 701)

The House bill contained a provision (sec. 701) that would eliminate the requirement for pre-admission authorization for inpatient mental health services when medicare has already authorized such care and medicare is the primary payer.

The Senate amendment contained a similar provision (sec. 702).

The Senate recedes with an amendment that would require advance authorization for a continuation of inpatient mental health services when medicare coverage terminates.

Continued TRICARE eligibility of dependents residing at remote locations after departure of sponsors for unaccompanied assignments and eligibility of dependents of reserve component members ordered to active duty (sec. 702)

The Senate amendment contained a provision (sec. 703) that would authorize continued eligibility of family members for TRICARE Prime Remote when the sponsoring service member is transferred from a duty that qualified the family members for TRICARE Prime Remote and the family members remain at the current duty location because they are not authorized to accompany the member to the new duty assignment.

The House bill contained a similar provision (sec. 702).

The House recedes with an amendment that extends the TRICARE Prime Remote benefit to dependents of reserve component personnel residing in locations that qualify for TRICARE Prime Remote when the member is ordered to active duty for more than 30 days.

Eligibility of surviving dependents for TRICARE dental program benefits after discontinuance of former enrollment (sec. 703)

The Senate amendment contained a provision (sec. 701) that would authorize certain surviving dependents to enroll in the TRICARE dental plan.

The House bill contained a similar provision (sec. 703).

The House recedes.

Department of Defense Medicare-Eligible Retiree Health Care Fund (sec. 704)

The Senate amendment contained a provision (sec. 706) that would require that contributions to the Department of Defense Medicare-Eligible Retiree Health Care Fund be paid from military personnel funds.

The House bill contained a similar provision (sec. 704).

The House recedes.

The conferees intend that the Department of Defense exclude cadets and midshipmen from average force strength calculations for the Medicare-Eligible Retiree Health Care Fund under sections

1115 and 1116 of title 10, United States Code, just as cadets and midshipmen are excluded from average force strength calculations for the Department of Defense Military Retirement Fund under sections 1465 and 1466 of title 10, United States Code.

Approval of medicare providers as TRICARE providers (sec. 705)

The Senate amendment contained a provision (sec. 704) that would require that medicare-approved health care providers also be considered as approved TRICARE providers.

The House bill contained a similar provision (sec. 705).

The House recedes with an amendment that would make this provision effective for new TRICARE contracts entered into on or after the date of the enactment of this Act.

Technical corrections relating to transitional health care for members separated from active duty (sec. 706)

The Senate amendment contained a provision (sec. 707) that would correct section 736 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) to provide transitional health care to the dependents of members separated from active duty who are eligible for transitional health care.

The House bill contained a similar provision (sec. 706).

The House recedes.

Extension of temporary authority to enter into personal services contracts for the performance of health care responsibilities at locations other than military medical treatment facilities (sec. 707)

The Senate amendment contained a provision (sec. 708) that would extend until December 31, 2003, the authority to contract with physicians to provide new-recruit physicals.

The House bill contained no similar provision.

The House recedes.

Access to health care services for beneficiaries eligible for TRICARE and Department of Veterans Affairs health care (sec. 708)

The Senate amendment contained a provision (sec. 710) that would provide that a TRICARE Prime beneficiary could not be denied health care under TRICARE on the basis that the beneficiary had received care from the Department of Veterans Affairs if the Department of Veterans Affairs cannot provide the care within the time limit standards for TRICARE Prime.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to prescribe a process for resolving issues relating to patient safety and continuity of care for beneficiaries who are concurrently entitled to health care under TRICARE and are eligible for health care services from the Department of Veterans Affairs. The amendment would also require the Comptroller General to conduct a study of the health care issues of beneficiaries covered by both systems.

Disclosure of information on Project 112 to Department of Veterans Affairs (sec. 709)

The Senate amendment contained a provision (sec. 1065) that would require the Secretary of Defense to submit to Congress and the Secretary of Veterans Affairs a plan for review, declassification, and submission to the Department of Veterans Affairs of all medically relevant information regarding the Shipboard Hazard and Defense (SHAD) project to facilitate the provision of Veterans Administration benefits to former service members who participated in that project.

The House bill contained no similar provision.

The House recedes with an amendment that would expand the scope of the plan to include all medically relevant information on Project 112, which includes the SHAD project, and would require a GAO review of the plan.

Subtitle B—Reports

Claims information (sec. 711)

The Senate amendment contained a provision (sec. 705) that would require the Secretary of Defense, in new managed care support contracts entered into under the TRICARE program on or after October 1, 2002, to adopt new claims requirements that are substantially the same as Medicare claims requirements.

The House bill contained a provision (sec. 711) that would require the Comptroller General to evaluate the continuing impediments to a cost-effective provider and beneficiary-friendly system for TRICARE claims processing.

The House recedes with an amendment that would combine the provisions and limit claims information to the information required for Medicare claims except for information that is uniquely required by the TRICARE program.

Comptroller General report on provision of care under the TRICARE program (sec. 712)

The House bill contained a provision (sec. 712) that would require the Comptroller General to evaluate the nature, reasons, and extent of trends in TRICARE network provider turbulence and the effectiveness of the efforts of the Department of Defense and TRICARE managed care support contractors to measure and mitigate such turbulence.

The Senate amendment contained no similar provision.

The Senate recedes.

Repeal of report requirement (sec. 713)

The House bill contained a provision (sec. 713) that would repeal the TRICARE Senior Prime annual reporting requirement specified in section 712 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398).

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle C—Department of Defense-Department of Veterans Affairs Health Resources Sharing

Revised coordination and sharing guidelines (sec. 721)

The House bill contained a provision (sec. 723) that would require the Secretary of Veterans Affairs and the Secretary of Defense to: (1) enter into agreements and contracts for the mutually beneficial coordination, use, or exchange of the health care resources of the respective Departments; (2) develop and publish a joint strategic vision and plan; (3) establish and jointly fund a Department of Defense-Veterans Affairs health executive committee; (4) establish and fund a joint incentives program; (5) jointly develop guidelines and policies for implementation of coordination and sharing recommendations, contracts, and agreements; and (6) jointly submit an annual report to Congress on health care coordination and sharing activities.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Comptroller General to review the implementation and effectiveness of the joint incentives program and report to the Committees on Armed Services and Veterans' Affairs of the Senate and the House of Representatives on the results of the review. The amendment would also incorporate the reporting requirements contained in separate provisions into the annual joint report required in this provision and would make other technical changes.

Health care resources sharing and coordination project (sec. 722)

The House bill contained a provision (sec. 724) that would require the Secretary of Veterans Affairs and the Secretary of Defense to conduct a health care resources sharing project at no less than five sites to test the feasibility, advantages, and disadvantages of measures and programs designed to improve the sharing and coordination of health care and health care resources between the Department of Veterans Affairs and the Department of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require health care resources sharing projects at no less than three sites, would remove the requirement to test affording beneficiaries of either Department access to the pharmaceutical services of the other Department, and would require the Comptroller General to provide for an annual on-site review at each of the project locations and report to the Committees on Armed Services and Veterans' Affairs of the Senate and House of Representatives.

The conferees do not anticipate that the "coordinated management system" will disrupt established command and control or established reporting chains for either agency.

Report on improved coordination and sharing of health care and health care resources following domestic acts of terrorism or domestic use of weapons of mass destruction (sec. 723)

The House bill contained a provision (sec. 725) that would require the Secretary of Defense and the Secretary of Veterans Affairs to review the adequacy of current processes and existing stat-

utory authorities and policy governing the capability of the Department of Defense and the Department of Veterans Affairs to provide health care to service members following domestic acts of terrorism or domestic use of weapons of mass destruction, both before and after a declaration of national emergency. The provision would require the Secretaries to report the results to Congress with the fiscal year 2004 budget submission.

The Senate amendment contained no similar provision.

The Senate recedes.

Interoperability of Department of Veterans Affairs and Department of Defense pharmacy data programs (sec. 724)

The House bill contained a provision (sec. 726) that would require the Secretary of Veterans Affairs to adopt the Department of Defense's Pharmacy Data Transaction System.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Veterans Affairs and the Secretary of Defense to seek to ensure that, by October 1, 2004, their respective pharmacy data systems are using national standards for the exchange of outpatient medication information and are interoperable, achieving real-time interface, data exchange, and checking of prescription drug data of outpatients. If interoperability is not achieved by October 1, 2004, the amendment would require the Secretary of Veterans Affairs to adopt the Department of Defense Pharmacy Data Transaction System by October 1, 2005.

The conferees believe the Secretary of Veterans Affairs should consider the National Council for Prescription Drug Program Standards in determining the national standards required for interoperability.

Joint pilot program for providing graduate medical education and training for physicians (sec. 725)

The House bill contained a provision (sec. 727) that would require the Secretary of Defense and the Secretary of Veterans Affairs to conduct a joint pilot program under which graduate medical education and training is provided to military physicians and physician employees of their departments.

The Senate amendment contained no similar provision.

The Senate recedes.

Repeal of certain limits on Department of Veterans Affairs resources (sec. 726)

The House bill contained a provision (sec. 728) that would repeal the limits on the total number of authorized Veterans Administration hospital and nursing home beds.

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Findings and sense of Congress concerning status of health resources sharing between the Department of Veterans Affairs and the Department of Defense

The House bill contained a provision (sec. 722) that would express a sense of Congress that the Secretary of Defense and Secretary of Veterans Affairs should commit their respective Departments to significantly improve mutually beneficial sharing and coordination of health care resources and services during peace and war, build organizational cultures supportive of improved sharing and coordination of health care resources and services, and establish and achieve measurable goals to facilitate increased sharing and coordination of health care resources and services.

The Senate amendment contained no similar provision.

The House recedes.

The conferees strongly support coordination and sharing of health care resources between the Department of Defense and the Department of Veterans Affairs. Federal health care resources are scarce and thus should be effectively and efficiently used. Health care beneficiaries of the Departments of Defense and Veterans Affairs, whether active service members, veterans, retirees, or family members of active or retired service members, should have full access to the health care and services that Congress has authorized for them.

In 1982, Congress authorized the sharing of health resources between Department of Defense medical treatment facilities and Department of Veterans Affairs health care facilities to allow more effective and efficient use of those health resources. The Secretary of Defense and the Secretary of Veterans Affairs, and the appropriate officials of each of the Departments of Defense and Veterans Affairs with responsibilities related to health care, have not taken full advantage of the opportunities provided by law to make their respective health resources available to health care beneficiaries of the other Department in order to provide improved health care for beneficiaries of both health systems.

The conferees are disappointed that, after the many years of support and encouragement from Congress, the Departments have made little progress in health resource sharing and the intended results of the sharing authority have not been achieved. The conferees expect greater cooperation between the Departments in the future.

Reports

The House bill contained a provision (sec. 729) that would require an interim report on the conduct of each program under the Department of Defense-Department of Veterans Affairs Health Resources Sharing and Performance Improvement Act of 2002, an annual report on the use of waiver authorities, a pharmacy benefits report, and an annual report on the pilot program for graduate medical education.

The Senate amendment contained no similar provision.

The House recedes.

The reports contained in this provision have been incorporated in a separate provision.

Restoration of previous policy regarding restrictions on use of Department of Defense medical facilities

The Senate amendment contained a provision (sec. 709) that would repeal the prohibition on using Department of Defense facilities for abortions.

The House bill contained no similar provision.

The Senate recedes.

Short title

The House bill contained a provision (sec. 721) that would entitle Subtitle C of the House Bill the "Department of Defense-Department of Veterans Affairs Health Resources Sharing and Performance Improvement Act of 2002."

The Senate amendment contained no similar provision.

The House recedes.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Acquisition Policy and Management

Buy-to-budget acquisition of end items (sec. 801)

The Senate amendment contained a provision (sec. 801) that would authorize the Department of Defense to make the best use of limited resources by acquiring a higher quantity of an end item than the number specified in an authorization or appropriations law or the accompanying report language.

The House bill contained no similar provision.

The House recedes with an amendment that would add a definition of the term "end item" and make certain technical changes to the provision.

Report to Congress on evolutionary acquisition of major defense acquisition programs (sec. 802)

The Senate amendment contained a provision (sec. 802) that would require the Secretary of Defense to submit to the congressional defense committees a report on how the Department of Defense plans to comply with applicable requirements of title 10, United States Code, and Department of Defense regulations when it conducts programs for the incremental acquisition of major systems.

The House bill contained no similar provision.

The House recedes with an amendment that would require the submission of a report on the application of such requirements to the evolutionary acquisition of major defense acquisition programs and make certain technical changes.

Spiral development under major defense acquisition programs (sec. 803)

The Senate amendment contained a provision (sec. 803) that would authorize the Secretary of Defense to conduct a pilot program for the spiral development of major systems. Under the Senate provision, the Secretary would be required to issue guidance on how spiral development programs would be designed to meet key acquisition system objectives and to approve a spiral development plan for each spiral development program.

The House bill contained no similar provision.

The House recedes with an amendment that would: (1) provide permanent authorization to conduct spiral development in lieu of a pilot program; (2) authorize the Secretary to delegate the approval of spiral development plans to designated officials; (3) limit the applicability of the provision to major defense acquisition programs; and (4) give the Secretary greater flexibility in developing guidance.

Improvement of software acquisition processes (sec. 804)

The Senate amendment contained a provision (sec. 804) that would require the secretary of each military department and the head of each defense agency that manages a major defense acquisition program with a substantial software component to establish a program to improve its software acquisition processes.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Department of Defense to ensure that: (1) key program personnel have an appropriate level of experience or training in software acquisition; and (2) criteria used in the selection of sources for software provide appropriate emphasis on the past performance in developing and producing software and the maturity of the software products offered.

Performance goals for procuring services pursuant to multiple award contracts (sec. 805)

The Senate amendment contained a provision (sec. 811) that would establish annual goals for the Department of Defense (DOD) to increase the percentage of services purchases under multiple award contracts that are: (1) entered on the basis of competition with more than one offer received; and (2) performance-based with fixed prices for specific tasks to be performed.

The House bill contained no similar provision.

The House recedes with an amendment that would repeal goals established in the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) for savings to be achieved through improved management of the Department's $50.0 billion of services contracts. The conference amendment would also: (1) modify the goals for the competitive purchase of services under multiple award contracts to 40 percent for fiscal year 2003, 50 percent for fiscal year 2004, and 75 percent for fiscal year 2011; and (2) modify the goals for performance-based purchases of services under such contracts to 25 percent in fiscal year 2003, 35 percent in 2004, 50 percent in 2005, and 70 percent in 2011. The Secretary of Defense would be authorized to adjust any of these percentage goals

upon a determination that such goal is too high and cannot reasonably be achieved.

The conferees understand that the Department has been unable to develop a method for measuring savings achieved through the improved management of services contracts. The goals for competitive and performance-based services contracting established by the conference amendment would establish measurable benchmarks for the increased use of improved management approaches for services contracts.

In the 1990's, the Office of Federal Procurement Policy (OFPP) conducted a government-wide, performance-based service contracting (PBSC) pilot program including 26 contracts from 15 agencies with a combined award value of approximately $585.0 million. OFPP found that, "On average contract price decreased by 15% in nominal dollars after the introduction of PBSC. This does not consider that, absent the conversion to PBSC, additional inflation-related price increases of 16% could have been expected."

The report cautions that all elements of performance-based contracting must be followed in order to achieve optimal success. According to the report, the minimum essential components of performance-based contracting include: performance requirements; measurable performance standards; government quality assurance plans based on measurements of the work against the performance standards; and incentives based on the quality assurance measurements. The conferees are aware of the significant effort that will be required to implement performance-based contracting on an extensive basis.

The conferees also note that significant savings can be found where a non-technical cost type contract is converted to a fixed price performance-based contract. In addition, the Acting Inspector General of the Department of Defense testified in the mid–1990's that the first decade of implementation of the Competition in Contracting Act of 1984 (Public Law 98–396) had resulted in significant cost avoidance. On August 3, 1995, the Acting Inspector General testified that: "While we have seen savings of 5 to over 90 percent from competition, typically competition results in price reductions of 15 to 30 percent." The conferees believe that the Department should be able to achieve significant savings by meeting the performance goals established in this provision.

Rapid acquisition and deployment procedures (sec. 806)

The House bill contained a provision (sec. 808) that would require the Secretary of Defense to develop procedures for the rapid acquisition and deployment of items that a commander of a unified combatant command urgently requires.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would give the Secretary greater flexibility in the development of the required procedures.

Quick-reaction special projects acquisition team (sec. 807)

The House bill contained a provision (sec. 809) that would require the Secretary of Defense to establish a special projects acqui-

sition team to examine and address issues affecting expeditious procurements.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would: (1) require that the quick reaction special projects acquisition team be established by the Under Secretary of Defense for Acquisition, Technology and Logistics; and (2) broaden the categories of issues to be addressed by the team.

Subtitle B—Amendments to General Contracting Authorities, Procedures, and Limitations

Limitation period for task and delivery order contracts (sec. 811)

The House bill contained a provision (sec. 803) that would amend sections 2304a and 2304b of title 10, United States Code, to limit the period of time for which task and delivery order contracts may be awarded to five years—the same time limitation that is applicable to other multiyear contracts.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would amend section 2306c of title 10, United States Code, to provide that multiyear task and delivery order contracts are subject to the same requirements as other multiyear contracts, including the five-year time limitation on such contracts. The amendment would also establish a preference for the award of a multiyear task and delivery order contract to more than one source to ensure competition for task orders and delivery orders throughout the period of the contract. Finally, the amendment would require the Comptroller General to review the contract term of existing single-award and multiple-award task and delivery order contracts (including any options or extensions available under such contracts).

One-year extension of program applying simplified procedures to certain commercial items; report (sec. 812)

The House bill contained a provision (sec. 804) that would extend for one year the pilot program established in section 4202 of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106). The provision would also require the Secretary of Defense to report to Congress on the pilot program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would: (1) require a report by the Comptroller General instead of the Secretary of Defense; and (2) clarify the issues to be addressed in the report.

Extension and improvement of personnel demonstration policies and procedures applicable to the civilian acquisition workforce (sec. 813)

The House bill contained a provision (sec. 806) that would require the Secretary of Defense to develop a plan for improving the policies and procedures applicable to the civilian acquisition workforce, based on the results of the demonstration project authorized by section 4308 of the Clinger-Cohen Act of 1996 (division D of Public Law 104–106; 10 U.S.C. 1706 note).

The Senate amendment contained a provision (sec. 821) that would extend the demonstration project.

The Senate recedes with an amendment that would extend the demonstration project.

Past performance given significant weight in renewal of procurement technical assistance cooperative agreements (sec. 814)

The House bill contained a provision (sec. 812) that would require the Secretary of Defense, to the maximum extent practicable, to renew without reduction in funding any procurement technical assistance cooperative agreement with an eligible entity that has performed successfully under an existing agreement.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary, in conducting a competition for the award of procurement technical assistance cooperative agreements, to give significant weight to successful past performance of eligible entities under existing agreements.

Increased maximum amount of assistance for tribal organizations or economic enterprises carrying out procurement technical assistance programs in two or more service areas (sec. 815)

The Senate amendment contained a provision (sec. 828) that would increase from $300,000 to $600,000 the maximum amount of assistance for tribal organizations or economic enterprises carrying out procurement technical assistance programs in two or more service areas.

The House bill contained no similar provision.

The House recedes.

Extension of contract goal for small disadvantaged businesses and certain institutions of higher education (sec. 816)

The Senate amendment contained a provision (sec. 823) that would extend for three years the contract goal for small disadvantaged businesses and certain institutions of higher education.

The House bill contained no similar provision.

The House recedes.

Grants of exceptions to cost or pricing data certification requirements and waivers of cost accounting standards (sec. 817)

The Senate amendment contained a provision (sec. 812) that would require the Department of Defense (DOD) to issue guidance on grants of exceptions to cost or pricing data certification requirements and waivers of cost accounting standards. The provision would also require the Secretary of Defense to report to the congressional defense committees on certain exceptions to the Truth in Negotiations Act and waivers of the cost accounting standards.

The House bill contained no similar provision.

The House recedes with an amendment that would modify the guidance to be issued on waivers and exceptions to ensure that DOD has the flexibility it needs to grant waivers and extensions when: (1) the property or services could not reasonably be obtained from the contractor or subcontractor without the grant of the exception or waiver; (2) the price can be determined to be a fair and

reasonable price; and (3) there are demonstrated benefits from granting the waiver or exception. The conference amendment would also streamline the reporting requirements in the provision by requiring an annual report instead of a semiannual report and eliminating the requirement in the Senate bill for advance notice to Congress of certain waivers and exceptions.

Timing of certification in connection with waiver of survivability and lethality testing requirements (sec. 818)

The Senate amendment contained a provision (sec. 806) that would modify the authority of the Secretary of Defense to waive the requirement for survivability and lethality tests for major weapon programs in order to correspond with the revised acquisition milestones in the Department's new acquisition regulations.

The House bill contained no similar provision.

The House recedes.

Contracting with Federal Prison Industries (sec. 819)

The House bill contained a provision (sec. 811) that would: (1) require the Secretary of Defense to use competitive procedures to acquire products or services from Federal Prison Industries (FPI); (2) clarify that a Department of Defense (DOD) contractor may not be required to use FPI as a subcontractor or supplier of products or services; and (3) prohibit the Department from entering any contract with FPI under which an inmate worker would have access to classified or sensitive information.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would modify the provision to ensure that it is consistent with the approach taken by section 811 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), while reinforcing the requirement of that provision that DOD contracting officials shall have sole discretion to determine whether FPI products and services meet the Department's needs in terms of price, quality, and time of delivery.

If DOD officials determine that an FPI product or service is not comparable to the best products or services available from the private sector, the Department is directed to purchase the product on a competitive basis. The requirement for competition under this section may be met by the award of a new contract on a competitive basis or through a purchase under an existing multiple award contract pursuant to competition requirements included in section 803 of the National Defense Authorization Act for Fiscal Year 2002 and other applicable provisions of law and regulation. In either case, the Department must consider a timely offer from FPI in accordance with the specifications and evaluation factors specified in the solicitation or other request for offers.

Revisions to multiyear contracting authority (sec. 820)

The House bill contained a provision (sec. 141) that would amend section 2306b of title 10, United States Code, to clarify that: (1) funds available for a multiyear contract may be used only for the procurement of complete and usable end items; and (2) funds available for advance procurement may be used only for the pro-

curement of long-lead items necessary to meet a planned delivery schedule for complete major end items.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would permit the purchase of economic order quantities of long-lead items where authorized by law. The conference amendment would also clarify that nothing in the section authorizes the use of funds available under contracts awarded prior to the effective date of the provision for any purpose other than the purpose for which such funds were authorized and appropriated. Consequently, although the section would not apply to contracts awarded before the date of enactment, funds available under such contracts could not be used in a manner that would be inconsistent with the requirements of the section unless such funds were authorized and appropriated for such purposes.

Subtitle C—Acquisition-Related Reports and Other Matters

Evaluation of training, knowledge, and resources regarding negotiation of intellectual property arrangements (sec. 821)

The House bill contained a provision (sec. 802) that would require the Secretary of Defense to evaluate the training, knowledge, and resources needed by the Department to effectively negotiate intellectual property rights.

The Senate amendment contained no similar provision.

The Senate recedes.

Independent technology readiness assessments (sec. 822)

The Senate amendment contained a provision (sec. 805) that would require the Department of Defense to explain any decision not to conduct an independent technology readiness assessment for a critical technology on a major defense acquisition program.

The House bill contained no similar provision.

The House recedes.

Extension and amendment of requirement for annual report on defense commercial pricing management improvement (sec. 823)

The Senate amendment contained a provision (sec. 813) that would extend the requirement that the Secretary of Defense submit to the congressional defense committees an annual report on price trend analyses for commercial items purchased by the Defense Logistics Agency (DLA) and the military departments.

The House bill contained no similar provision.

The House bill recedes with an amendment that would clarify the requirement for the Secretary of each military department and the Director of the DLA to conduct price trend analyses to identify and address any unreasonable escalation in prices paid for items procured by that military department or agency.

Assessment of purchases of products and services through contracts with other Federal departments and agencies (sec. 824)

The Senate amendment contained a provision (sec. 815) that would require the Secretary of Defense to carry out an assessment to determine the amount paid by the Department of Defense as

fees for the acquisition of property and services under contracts entered by other federal departments and agencies and whether these amounts could be put to better use.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Department to consider both the costs and the benefits of using contracts entered by other federal departments and agencies.

Repeal of certain requirements and Comptroller General reviews of the requirements (sec. 825)

The Senate amendment contained a provision (sec. 825) that would repeal statutory requirements for review by the Comptroller General of programs conducted pursuant to certain legislative authority that has never been utilized.

The House bill contained no similar provision.

The House recedes with an amendment that would repeal the authority to conduct programs pursuant to these sections. The conferees have determined that the legislative authority provided by sections 912, 5312, and 5401 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) has never been used and is not likely to be needed. For this reason, the conference amendment would repeal all three provisions.

Multiyear procurement authority for purchase of dinitrogen tetroxide, hydrazine, and hydrazine-related products (sec. 826)

The Senate amendment contained a provision (sec. 826) that would authorize the Secretary of Defense to enter into contracts for periods of up to 10 years for dinitrogen tetroxide, hydrazine, and hydrazine-related products.

The House bill contained no similar provision.

The House recedes.

Multiyear procurement authority for environmental services for military installations (sec. 827)

The Senate amendment contained a provision (sec. 827) that would authorize the use of multiyear contracts for the acquisition of environmental remediation services.

The House bill contained no similar provision.

The House recedes.

Report on effects of Army Contracting Agency (sec. 828)

The Senate amendment contained a provision (sec. 830) that would require the Secretary of the Army to report to Congress on the effects of the establishment of an Army Contracting Agency on small business participation in Army procurements.

The House bill contained no similar provision.

The House recedes.

The conferees note that the Army expects to eliminate approximately 200 unneeded positions as a result of this reorganization. The conferees direct the Secretary to review the Army's requirements for acquisition personnel—including shortcomings identified in Department of Defense Inspector General reports D–2000–088 (February 29, 2000) and D–2000–100 (March 10, 2000)—and to determine whether some of the resources saved as a result of the re-

organization should be reinvested to shape a more productive acquisition workforce for the future. The results of the Secretary's review should be forwarded to the congressional defense committees with the report required by this section.

Authorization to take actions to correct the industrial resource shortfall for radiation-hardened electronics (sec. 829)

The conference agreement includes a provision that would authorize the Department of Defense to take actions to correct the industrial resource shortfall for radiation-hardened electronics, notwithstanding the limitation in section 303(a)(6)(C) of the Defense Production Act of 1950 (50 U.S.C. App. 2093(a)(6)(C)), as long as such actions do not cause the aggregate outstanding amount of all such actions to exceed $106.0 million.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authority for nonprofit organizations to self-certify eligibility for treatment as qualified organizations employing severely disabled under Mentor-Protege Program

The Senate amendment contained a provision (sec. 829) that would permit nonprofit organizations employing the severely disabled to self-certify their eligibility to participate in the Department of Defense Mentor-Protege Program.

The House bill contained no similar provision.

The Senate recedes.

Authority to make inflation adjustments to simplified acquisition threshold

The House bill contained a provision (sec. 805) that would authorize the Administrator of the Office of Federal Procurement Policy to adjust the simplified acquisition threshold every five years to account for inflation.

The Senate amendment contained no similar provision.

The House recedes.

Mentor-Protege Program eligibility for HUBZone small business concerns and small business concerns owned and controlled by service-disabled veterans

The Senate amendment contained a provision (sec. 824) that would add HUBZone small business concerns and small business concerns owned and controlled by service-disabled veterans to the list of organizations eligible to participate in the Mentor-Protege Program of the Department of Defense.

The House bill contained no similar provision.

The Senate recedes.

Modification of scope of ball and roller bearings covered for purposes of procurement limitation

The House bill contained a provision (sec. 807) that would expand a prohibition on the purchase of ball or roller bearings from sources outside the United States to cover unconventional or hybrid ball and roller bearings, cam follower bearings, ball screws, and other derivatives of ball and roller bearings.

The Senate amendment contained no similar provision.

The House recedes.

Moratorium on reduction of the defense acquisition and support workforce

The Senate amendment contained a provision (sec. 822) that would impose a moratorium on reductions in the defense acquisition and support workforce during fiscal years 2003, 2004 and 2005.

The House bill contained no similar provision.

The Senate recedes.

Pilot program for transition to follow-on contracts for prototype projects

The Senate amendment contained a provision (sec. 816) that would establish a pilot program for the transition of prototype projects to follow-on production contracts.

The House bill contained no similar provision.

The Senate recedes.

Plan for acquisition management professional exchange pilot program

The House bill contained a provision (sec. 801) that would require the Secretary of Defense to develop a plan for a pilot program for the exchange of acquisition management personnel between the Department of Defense and private sector organizations.

The Senate amendment contained no similar provision.

The House recedes.

Report on development of anticyberterrorism technology

The House bill contained a provision (sec. 810) that would require the Secretary of Defense to submit a report to Congress on anticyberterrorism technology.

The Senate amendment contained no similar provision.

The House recedes.

The material covered by the House provision would be addressed in a report on homeland security required elsewhere in the bill.

Waiver authority for domestic source or content requirements

The Senate amendment contained a provision (sec. 817) that would authorize the Secretary of Defense to waive the application of statutory domestic source requirements and domestic content requirements in certain circumstances.

The House bill contained no similar provision.

The Senate recedes.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Duties and Functions of Department of Defense Officers

Under Secretary of Defense for Intelligence (sec. 901)

The Senate amendment contained a provision (sec. 907) that would amend Chapter 4 of title 10, United States Code, to establish the position of Under Secretary of Defense for Intelligence.

The House bill contained no similar provision.

The House recedes with an amendment that would make clear that the establishment of this new position does not supercede or modify the authorities of the Secretary of Defense and the Director of Central Intelligence as established by the National Security Act of 1947. It would also require the Secretary of Defense to submit a report to Congress within 90 days after enactment on the establishment of the position of Under Secretary of Defense for Intelligence, including mission, organizational structure, and relationships.

Reorganization of Office of Secretary of Defense for administration of duties relating to homeland defense and combating terrorism (sec. 902)

The conferees agree to include a provision that would amend Chapter 4 of title 10, United States Code, to establish the position of Assistant Secretary of Defense for Homeland Defense; transfer the responsibility for the overall direction and supervision for policy, program planning and execution, and allocation of resources for the activities of the Department of Defense for combating terrorism to the Under Secretary of Defense for Policy; and repeal the contingent reduction in the number of assistant secretaries of defense.

Subtitle B—Space Activities

Oversight of acquisition for defense space programs (sec. 911)

The Senate amendment contained a provision (sec. 133) that would require the Office of the Secretary of Defense to maintain oversight of acquisition for defense space programs. The provision would also require the Secretary of Defense to submit a detailed plan on how such oversight will be provided.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees understand that the Department of Defense is planning to change the way defense space programs are overseen in an effort to reduce the decision cycle time for these programs. The conferees believe that any changes to the oversight process should not detract from the ability of the Office of the Secretary of Defense and the Joint Requirements Oversight Council to provide meaningful oversight of space programs. The conferees also believe that because space programs are inherently joint programs, each of the military services should have a strong voice in space program acquisition decisions.

The conferees note that the conference report accompanying the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) discussed the "virtual major force program (MFP)" for space activities established by the Secretary of Defense and expressed the conferees' expectations that the virtual space MFP would be submitted along with the fiscal year 2003 budget. However, the virtual space MFP still has not been submitted.

The conferees note that the virtual space MFP is an important tool for providing better visibility and insight into space programs and are disappointed that the Secretary of Defense has not yet submitted it to Congress. The conferees therefore direct the Secretary of Defense to submit the current version of the virtual MFP for space activities to the congressional defense and intelligence committees no later than January 15, 2003, and furthermore direct the Secretary of Defense to submit the virtual MFP for space activities along with the fiscal year 2004 budget request and all future budget requests.

Report regarding assured access to space for the United States (sec. 912)

The Senate amendment contained a provision (sec. 136) that would set forth the sense of Congress that the Under Secretary of the Air Force should evaluate all options for sustaining the United States space launch industrial base, develop an integrated, adequately funded, long-range plan for access to space, and submit a report on that plan as soon as practicable. The provision also included a series of findings.

The House bill contained no similar provision.

The House recedes with an amendment that would delete the findings portion of the provision and require the Secretary of Defense to evaluate options for sustaining the space launch industrial base; to develop an integrated, adequately funded, long-range plan for assuring access to space; and to submit a report to Congress on this plan.

The conferees agree that providing assured reliable access to space is a vital national security interest of the United States. One of the critical elements of assured access to space is the Air Force Evolved Expendable Launch Vehicle (EELV) program. This program will be a new approach for the Air Force and the Department of Defense (DOD). Instead of buying individual rockets to launch space payloads, the Air Force and DOD will now buy launch services. The contractors supplying the launch services will also supply launches to commercial customers. The EELV program is intended to provide reliable, assured, launch services for a variety of payload types and weights, at reduced cost.

Since the beginning of the EELV program, significant contraction in the commercial space launch market has eroded the overall viability of the United States space launch industrial base and could hamper the ability of DOD to provide assured access to space in the future. The continuing viability of the United States space launch industrial base is a critical element of any strategy to ensure the long-term ability of the United States to assure access to space. The Under Secretary of the Air Force, as acquisition executive for DOD space programs, has been authorized to develop a

strategy to address United States space launch and other requirements to support assured access to space. This strategy should serve as the basis of the integrated, long- range, adequately funded plan for assured access to space that the Secretary of Defense is required to submit to Congress by March 1, 2003.

Subtitle C—Reports

Report on establishment of United States Northern Command (sec. 921)

The House bill contained a provision (sec. 902) requiring the Secretary of Defense to submit to the congressional defense committees a report on an implementation plan for the United States Northern Command that addresses organizational, legal, diplomatic, budgetary, and personnel matters associated with the establishment of that command.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would change the date by which the report must be submitted and clarifies the items to be addressed by the report.

Time for submittal of report on Quadrennial Defense Review (sec. 922)

The House bill contained a provision (sec. 904) that would amend section 118 of title 10, United States Code, to change the submission date of the report on each quadrennial defense review to the Committees on Armed Services of the Senate and House of Representatives to the second year after a year divisible by four.

The Senate amendment contained a similar provision (sec. 901) that would change the submission date of the report from September 30 of the year in which the review is conducted to no later than the date in the following year on which the President submits the budget for the next fiscal year to Congress.

The House recedes.

National defense mission of Coast Guard to be included in future Quadrennial Defense Reviews (sec. 923)

The House bill contained a provision (sec. 903) that would amend section 118(d) of title 10, United States Code, to require the Secretary of Defense to include the defense mission of the U.S. Coast Guard when conducting future Quadrennial Defense Reviews.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on establishment of a Joint National Training Complex and joint opposing forces (sec. 924)

The House bill contained a provision (sec. 1015) that would require the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives that outlines a plan to develop and operate a Joint National Training Complex capable of supporting field exercises and experimentation at the operational level of war across a broad spectrum of adversary capabilities.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would have the commander of the United States Joint Forces Command outline a plan that would provide for the development and implementation of a joint national training concept together with the establishment of a joint training complex for supporting the implementation of that concept. The Secretary of Defense would submit the report, together with any comments he considers appropriate and any comments that the Chairman of the Joint Chiefs of Staff considers appropriate.

Subtitle D—Other Matters

Authority to accept gifts for National Defense University (sec. 931)

The House bill contained a provision (sec. 907) that would amend section 2605 of title 10, United States Code, to authorize the Secretary of Defense to accept gifts for the National Defense University in a manner similar to the authority to accept gifts for defense dependents' schools.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would add a new section to Chapter 155 of title 10, United States Code, for this purpose; would specifically authorize the acceptance of gifts from an international organization and a foreign gift; and would make other clarifying amendments.

Western Hemisphere Institute for Security Cooperation (sec. 932)

The Senate amendment contained a provision (sec. 905) that would amend section 2166 of title 10, United States Code, to authorize the Secretary of Defense to accept foreign gifts or donations of funds, materials, property, or services in order to defray the costs of, or enhance the operation of, the Western Hemisphere Institute for Security Cooperation. It would also provide that the Secretary's annual report to Congress on the Institute shall include a copy of the latest report of the Board of Visitors, together with any comment of the Secretary on the Board's report.

The House bill contained no similar provision.

The House recedes.

Conforming amendment to reflect disestablishment of Department of Defense Consequence Management Program Information Office (sec. 933)

The House bill contained a provision (sec. 906) that would amend section 12310 (c)(3) of title 10, United States Code, to strike a reference to the Department of Defense Consequence Management Program Integration Office (COMPIO). The provision reflects the fact that the Deputy Secretary of Defense disestablished COMPIO on February 14, 2001, directing that its functions be integrated into existing Department of Defense organizations and processes to ensure greater effectiveness and oversight of programs.

The Senate amendment included an identical provision (sec. 1042) under a different title.

The House recedes with an amendment modifying the title.

Increase in number of Deputy Commandants of the Marine Corps (sec. 934)

The House bill contained a provision (sec. 501) that would increase the authorized number of deputy commandants at Headquarters, United States Marine Corps, from five to six.

The Senate amendment contained an identical provision (sec. 902).

The conference agreement includes this provision.

LEGISLATIVE PROVISIONS NOT ADOPTED

Change in title of Secretary of the Navy to the Secretary of the Navy and the Marine Corps

The House bill contained a provision (sec. 901) that would redesignate the title of the Secretary of the Navy to the Secretary of the Navy and the Marine Corps.

The Senate amendment contained no similar provision.

The House recedes.

The conferees consider the proposal to change the title of the Secretary of the Navy to the Secretary of the Navy and Marine Corps a serious initiative deserving more study and deliberation, including hearings. While some misunderstandings may stem from the traditional reliance on the singular term "Navy" to encompass all the sea services, the conferees consider it essential to consider additional factors and considerations, including historical antecedents. The conferees agree to provide maximum opportunities during the 108th Congress for interested individuals and groups to provide information and recommendations regarding this important issue.

Report on effect of operations other than war on combat readiness of the Armed Forces

The House bill contained a provision (sec. 905) requiring the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives on the effect of operations other than war on the combat readiness of the Armed Forces.

The Senate amendment contained no similar provision.

The House recedes.

The conferees understand that the Department of Defense (DOD) has initiated improvements to readiness reporting in the new Defense Readiness Reporting System (DRRS). The conferees expect that this system will provide greater visibility into the impact of all types of operations, including operations other than war, on the ability of U.S. forces to conduct their assigned missions. The conferees direct DOD, in implementing DRRS, to ensure that it captures readiness effects not only for forces that are directly engaged in operations, but also for those forces and units that are preparing to participate in or are re- training after recent deployments.

The conferees also understand that DOD has commissioned, and continues to commission, studies by various groups and organizations on the broader effects of operational deployments, including their impact on recruiting, retention, and performance. Given the

importance of these issues, the conferees expect that these reports will also be provided to the congressional defense committees.

TITLE X—GENERAL PROVISIONS

Deferral of expenditures on financial management and feeder systems

Section 1004 of the conference agreement accompanying the National Defense Authorization Act for Fiscal Year 2003 would require the Secretary of Defense to develop a financial management enterprise architecture and a transition plan for implementing that architecture. Under this provision, expenditures for financial management system improvements in excess of $1.0 million would be permitted only if the Under Secretary of Defense (Comptroller) determines that such expenditures are necessary to meet critical requirements or prevent significant adverse effects on projects needed to achieve essential capabilities.

Titles I, II and III of the conference report include reductions totaling $400.0 million, in proportion to proposed spending on information technology development modernization for functional area applications in each account. The specific reductions reflected in these titles are as follows:

Other Procurement, Army—$53.2 million;
Other Procurement, Navy—$20.6 million;
Other Procurement, Air Force—$12.0 million;
Procurement, Marine Corps—$3.4 million;
Other Procurement, Defense-wide—$3.5 million;
Research and Development, Army—$17.7 million;
Research and Development, Navy—$25.6 million;
Research and Development, Air Force—$27.2 million;
Research and Development, Defense-wide—36.6 million;
Defense Health Programs—$32.1 million;
Defense Working Capital Fund Operations—$148.6 million;
Operation and Maintenance, Defense-wide—$19.5 million.

The conferees expect the Department to achieve these reductions by implementing the requirements of section 1004 and restricting the development of Department of Defense business systems until the Department has completed its proposed architecture and transition plan and is in a position to ensure that business system expenditures will be consistent with that architecture and plan.

The conferees note that section 1507 of the conference report would authorize the Secretary of Defense to transfer funds out of the contingency fund authorized by title XV to offset the reductions described above, in the event that the Secretary determines that the required savings are not achievable.

Drug interdiction and counterdrug activities

The budget request included $998.7 million for drug interdiction and counterdrug activities of the Department of Defense, $848.9 million in the central transfer account and $149.8 million in the operating budgets of the military services for authorized counterdrug operations.

The conferees agree to the following fiscal year 2003 budget for the Department's counterdrug activities:

DRUG INTERDICTION AND COUNTERDRUG ACTIVITIES, CENTRAL TRANSFER ACCOUNT

[In thousands of dollars; may not add due to rounding]

Fiscal Year 2003 Counterdrug Request	$848.9
Increases:	
National Guard Support	23.5
National Guard C–26 Aircraft	2.1
Mexico Information Analysis Center	1.5
Southwest Border Fence	6.7
Decreases:	
1404 DEA Support	1.3
4208 Hemispheric Radar System	5.0
3348 TAGOS	12.0
1401 NIMA CD Support	.5
1102 ADNET	.5
2440 CMS	2.0
9203 Mexico Training	1.5
Fiscal Year 2003 Counterdrug Funding	859.9

Improved management of Department of Defense contracting for services

Section 802 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107) established goals for improved management of the Department's $50.0 billion of services contracts. The conference report would repeal these statutory goals and establish new goals for the increased use of performance-based services contracts and competitive purchases of services under multiple award contracts.

Titles I, II and III of the conference report accompanying the National Defense Authorization Act for Fiscal Year 2003 include reductions totaling $600.0 million, to be achieved through the implementation of the new statutory goals and other improvements in the management of services contracts. The specific reductions reflected in these titles are as follows:

Aircraft Procurement, Army—$3.7 million;

Missile Procurement, Army—$2.9 million;

Procurement of Wheeled and Tactical Vehicles, Army—$4.0 million;

Procurement of Ammunition, Army—$2.0 million;

Other Procurement, Army—$9.2 million;

Aircraft Procurement, Navy—$5.7 million;

Weapons Procurement, Navy—$2.3 million;

Shipbuilding and Conversion, Navy—$5.7 million;

Procurement of Ammunition, Navy & Marine Corps—$0.7 million;

Other Procurement, Navy—$3.0 million;

Procurement, Marine Corps—$0.9 million;

Other Procurement, Air Force—$1.5 million;

Procurement, Defense-Wide—$1.1 million;

Research and Development, Army—$9.7 million;

Research and Development, Navy—$4.9 million;

Research and Development, Air Force—$31.9 million;

Research and Development, Defense-wide—$17.8 million;

Operation and Maintenance, Army—$135.9 million;

Operation and Maintenance, Navy—$107.5 million;

Operation and Maintenance, Air Force—$149.2 million;
Operation and Maintenance, Marine Corps—$11.5 million;
Operation and Maintenance, Defense-wide—$90.0 million.

The conferees expect the Department to distribute these reductions across budget activities and programs within the relevant appropriations accounts, based on the dollar value of contracts within those budget activities and programs to which improvements may be appropriately applied.

The conferees note that section 1507 of the conference report would authorize the Secretary of Defense to transfer funds out of the contingency fund authorized by title XV to offset the reductions described above, in the event that the Secretary determines that the required savings are not achievable.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Financial Matters

Transfer authority (sec. 1001)

The House bill contained a provision (sec. 1001) that would provide $2.0 billion in transfer authority among accounts in Division A of this Act for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 1001) that would provide $2.5 billion in transfer authority.

The Senate recedes with an amendment that would provide $2.0 billion in transfer authority for fiscal year 2003 and would increase the transfer authority for fiscal year 2002 from $2.0 billion to $2.5 billion.

Authorization of supplemental appropriations for fiscal year 2002 (sec. 1002)

The House bill contained a provision (sec. 1002) that would authorize supplemental appropriations for the Department of Defense and the national security activities of the Department of Energy for fiscal year 2002. The House bill would also require prior notification before funds were transferred from the Defense Emergency Response Fund (DERF) or other transfer accounts.

The Senate amendment contained a similar provision (sec. 1004).

The Senate recedes with an amendment that would authorize supplemental appropriations for the Department of Defense and the national security activities of the Department of Energy for fiscal year 2002 contained in the 2002 Supplemental Appropriations Act for Further Recovery From and Response To Terrorist Attacks on the United States (Public Law 107–206) and would require a report on all Department of Defense transfers from the DERF or other transfer accounts during fiscal year 2002.

United States contribution to NATO common-funded budgets in fiscal year 2003 (sec. 1003)

The Senate amendment contained a provision (section 1005) that would authorize the U.S. contribution to NATO common-funded budgets for fiscal year 2003, including the use of unexpended balances from prior years. The resolution of ratification for the Pro-

tocol to the North Atlantic Treaty of 1949 on the Accession of Poland, Hungary and the Czech Republic contained a provision (section 3(2)(c)(ii)) requiring a specific authorization for U.S. payments to the common-funded budgets of NATO for each fiscal year, beginning in fiscal year 1999, that payments exceed the fiscal year 1998 total.

The House bill contained no similar provision.

The House recedes.

Development and implementation of financial management enterprise architecture (sec. 1004)

The House bill contained a provision (sec. 1007) that would: (1) require the Secretary of Defense to submit a report to the congressional defense committees on the goals and objectives of the financial management modernization plan of the Department of Defense (DOD); and (2) require the approval of the DOD Comptroller prior to any new contract for the acquisition or upgrade of a financial management or feeder system.

The Senate amendment contained a provision (sec. 1006) that would: (1) require the Secretary to develop a comprehensive financial management enterprise architecture for all DOD budgetary, accounting, finance and data systems; and (2) require the approval of the Financial Management Modernization Executive Committee for any significant expenditures on financial system improvements that would be inconsistent with the new architecture.

The House recedes with an amendment that would: (1) extend the deadline for the development of the new enterprise architecture; (2) require the DOD Comptroller, rather than the Financial Management Modernization Executive Committee, to approve significant new expenditures; (3) repeal outdated reporting requirements and substitute a streamlined annual report on compliance with the new requirements; and (4) harmonize the language of the provision with existing guidance issued by DOD and the Office of Management and Budget.

Accountable officials in the Department of Defense (sec. 1005)

The House bill contained a provision (sec. 1004) that would authorize the Secretary of Defense to designate certain Department of Defense employees and members of the Armed Forces as departmental accountable officials who could be held pecuniarily liable for illegal, improper, or incorrect payments when the official who certified payment relied on information provided through fault or negligence of the departmental accountable official.

The Senate amendment contained a similar provision (sec. 1007).

The Senate recedes with a clarifying amendment.

Uniform standards throughout Department of Defense for exposure of personnel to pecuniary liability for loss of Government property (sec. 1006)

The Senate amendment contained a provision (sec. 1008) that would authorize any officer of the Armed Forces or any civilian employee of the Department of Defense designated by regulation to act on reports of survey and vouchers pertaining to the loss, spoil-

age, unserviceability, unsuitability, destruction of, or damage to, property of the United States under the control of the Department of Defense.

The House bill contained a similar provision (sec. 1003).

The House recedes with a clarifying amendment.

Improvements in purchase card management (sec. 1007)

The House bill contained a provision (sec. 1005) that would require the Secretary of Defense to prescribe regulations including safeguards and internal controls for the use of purchase cards by Department of Defense personnel.

The Senate amendment contained a similar provision (sec. 814).

The Senate recedes with an amendment that would provide additional detail on required audits and purchase card policies. The amendment would also clarify that required training and reviews are to be conducted on a periodic basis, rather than an annual basis. The conferees direct the Department to conduct annual training and reviews in calendar years 2003 and 2004 but understand that less frequent training and reviews may be adequate to protect the Department's interests in subsequent years.

The conferees direct the Comptroller General to review the actions that have been taken within the Department of Defense to comply with the requirements of this section and submit a report on those actions to the congressional defense committees no later than one year after the date of enactment of this Act.

Improvements in travel card management (sec. 1008)

The Senate amendment contained a provision (sec. 1009) that would authorize direct payment to the issuer of a Defense travel card of official travel or transportation expenses charged on the Defense travel card by a Department of Defense employee or member.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize direct payment to the issuer of a Defense travel card of official travel or transportation expenses charged on the Defense travel card by a Department of Defense employee or member and by former employees of the Department of Defense and retired members of the Armed Forces who are receiving retired pay.

Clearance of certain transactions recorded in Treasury suspense accounts and resolution of certain check issuance discrepancies (sec. 1009)

The Senate amendment contained a provision (sec. 1010) that would authorize the Department of Defense to cancel longstanding debit and credit transactions that cannot be cleared from the Department's books because they have been misrecorded to the wrong appropriation.

The House bill contained no similar provision.

The House recedes with a technical amendment.

The conferees direct the Comptroller General to review the Department's use of the authority provided by this section and report any findings and recommendations he may have to the congres-

sional defense committees no later than six months after the date on which such authority expires.

Authorization of funds for ballistic missile defense programs or combating terrorism programs of the Department of Defense (sec. 1010)

The Senate amendment contained a provision (sec. 1011) that would authorize $814.3 million, the amount by which the Senate bill reduced funding for ballistic missile defense programs, for whichever of the following purposes the President determines to be in the national security interests of the United States:

(1) Research, development, test and evaluation (RDT&E) of ballistic missile defense (BMD) programs of the Department of Defense (DOD); and

(2) DOD activities for combating terrorism. The amendment would reduce the amount authorized to be appropriated for other defense programs by $814.3 million to reflect amounts that the Secretary of Defense determines unnecessary by reason of a revision of assumptions regarding inflation. The amendment would also specify that the top priority for the use of additional funds made available by a lower rate of inflation shall be combating terrorism.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize an additional $814.3 million to be available for RDT&E of BMD programs and activities of DOD to combat terrorism, whichever the President determines to be in the national security interests of the United States. The amendment would also require the Secretary of Defense to report to the congressional defense committees on the allocation of the funds pursuant to the President's determination and the basis for such determination.

Reduction in overall authorization due to inflation savings (sec. 1011)

The Senate amendment contained a provision (sec. 1011) that would reduce the amount authorized to be appropriated to the Department of Defense by $814.3 million to reflect the reduced inflation estimates included in the Office of Management and Budget's 2002 mid-session review of the budget.

The House bill contained no similar provision.

The House recedes with an amendment that would reduce the amounts authorized to be appropriated for the operation and maintenance, procurement, and research and development accounts in this Act by $1.0 billion to reflect these inflation savings. The reductions would be allocated among the accounts in these titles to reflect the extent to which inflation savings are available in each account.

The conferees direct the Secretary to ensure the allocation of any inflation reductions is included in the applicable base for reprogramming reports that the Department submits to Congress.

Subtitle B—Naval Vessels and Shipyards

Number of Navy combatant surface vessels in active and reserve service (sec. 1021)

The Senate amendment contained a provision (sec. 1021) that would require the Secretary of the Navy to submit a report should the surface combatant ship active and reserve force drop below 116 ships. The provision would also require the Secretary to retain on the Naval Vessel Register a sufficient number of ships which could be reactivated within 120 days notice to provide a surge capability to regain the level of 116 surface combatants described in the 2001 Quadrennial Defense Review.

The House bill contained no similar provision.

The House recedes with an amendment that would incorporate the requirements of the Senate provision in title 10, United States Code.

Annual long-range plan for the construction of naval vessels (sec. 1022)

The Senate amendment contained a provision (sec. 1024) that would require the Secretary of Defense to submit, with the annual budget request, a 30-year shipbuilding plan.

The section also included a number of findings, including:

(1) Navy ships provide a forward presence for the United States that is key to the national defense of the United States.

(2) The Navy has demonstrated that its ships contribute significantly to homeland defense.

(3) The Navy's ship recapitalization plan is inadequate to maintain the ship force structure that is described as the current force in the 2001 Quadrennial Defense Review.

(4) The Navy is decommissioning ships as much as 10 years earlier than the projected ship life upon which ship replacement rates are based.

(5) The current force was assessed in the 2001 Quadrennial Defense Review as having moderate to high risk, depending on the scenario considered.

The House bill contained no similar provision.

The conferees agree with the findings included in the Senate provision.

The House recedes with an amendment that would remove the findings from the provision but would support the required annual long-range plan.

Assessment of the feasibility of the expedited equipping of a Navy ship with a version of the 155-millimeter Advanced Gun System (sec. 1023)

The Senate amendment contained a provision (sec. 1022) that would require the Secretary of the Navy to submit a plan for fielding a 155-millimeter gun on a ship not later than the end of fiscal year 2006.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Navy to submit a feasibility assessment of fielding a 155-millimeter gun on a ship not later than the end of fiscal year 2006.

Report on initiatives to increase operational days of Navy ships (sec. 1024)

The Senate amendment contained a provision (sec. 1023) that would require the Under Secretary of Defense for Acquisition, Technology, and Logistics to submit, to the Committees on Armed Services of the Senate and House of Representatives, a report on initiatives to increase the ship operational days available to regional combatant commanders without increasing the number of ships and without extending deployments.

The House bill contained no similar provision.

The House recedes with an amendment that would require that the report include an assessment of how the Navy would conduct routine programmed ship maintenance for Navy ships that would remain in forward operating areas.

Ship combat system industrial base (sec. 1025)

The House bill contained a provision (sec. 1030) that would require the Secretary of Defense to report to the congressional defense committees on the effect of the DD(X) contract award on the industrial base for ship combat system development, including ship systems integration, radar electronic warfare, launch systems, and other components.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Sense of Congress concerning aircraft carrier force structure (sec. 1026)

The House bill contained a provision (sec. 1028) that would state the sense of Congress that there should be at least 12 aircraft carriers.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Conveyance, Navy drydock, Portland, Oregon (sec. 1027)

The House bill contained a provision (sec. 1025) that would authorize the Secretary of the Navy to sell a drydock in Portland, Oregon to Portland Shipyard, LLC for fair market value.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle C—Strategic Matters

Strategic force structure plan for nuclear weapons and delivery systems (sec. 1031)

The House bill contained a provision (sec. 1014) that would require the Secretaries of Defense and Energy to jointly prepare a baseline nuclear force structure plan for the period covered by, and consistent with, the Nuclear Posture Review submitted to Congress on January 8, 2002. The plan would include the warheads, weapon systems, and delivery vehicles required to execute the national defense strategy, as well as the infrastructure, modernization and life extension plans, and other elements of the defense program of the United States necessary to sustain that force structure. The section would require submission of a report to the congressional defense

committees on the force structure and a budget plan to support that force structure by January 1, 2003, but would permit the President to defer submission of the report to a certain date should the President determine that it is in the national security interest of the United States to submit the report on a later date. Finally, the provision would require a report to be submitted to Congress by the Secretary of Energy on options for achieving, prior to fiscal year 2012, a posture under which the United States maintains no more than 1700–2200 deployed nuclear weapons and that would look at achieving such levels of such weapons in fiscal years 2006, 2008 and 2010.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would add additional elements to and modify the scope of the report. The amendment would also require both the Secretary of Defense and Energy to evaluate the advantages and disadvantages of options to reduce the level of operationally deployed nuclear weapons to 1,700–2,200 warheads as early as 2007. While the Secretaries may choose the range of dates to be considered as options one of those options must be the achievement of the warhead goal of 1,700–2,200 operationally deployed warheads by 2007. The provision would require the Secretaries to submit the report to the congressional defense committees no later than March 1, 2003.

Annual report on weapons to defeat hardened and deeply buried targets (sec. 1032)

The Senate amendment contained a provision (sec. 1032) that would require the Secretary of Defense, in conjunction with the Secretary of Energy and the Director of Central Intelligence, to submit an annual report on the research and development activities under their respective jurisdictions during the preceding fiscal year to develop a weapon to defeat hardened and deeply buried targets. The report would be submitted no later than April 1 of each year.

The House bill contained no similar provision.

The House recedes with an amendment that would expand the report to include procurement and other activities undertaken to develop a weapon to defeat hardened and deeply buried targets. In addition, the activities of the defense agencies would be specifically included in the report, and the reporting requirement would be limited to five years.

The conferees are concerned that substantial amounts of money are being spent for a wide variety of hardened and deeply buried target-related activities within the defense and intelligence communities and that these many programs are not sufficiently coordinated. The conferees believe this report will be useful to ensure that the hardened and deeply buried target challenge is addressed in a coordinated way to meet established requirements and that the funds are spent efficiently.

Report on effects of nuclear earth-penetrator weapon and other weapons (sec. 1033)

The House bill contained a provision (sec. 1018) that would direct the Secretary of Defense to request the National Academy of

Sciences to conduct a study and prepare a report on the short and long-term effects on the surrounding civilian populations: (1) of the use by the United States of a nuclear earth penetrator weapon on a target; (2) of the use of a non-penetrating nuclear weapon on a hard or deeply buried target; and (3) of the use of a conventional high-explosive weapon on facilities to store and produce weapons of mass destruction when the involved materials or contaminants are released into populated areas. The report would be required to be submitted to Congress no later than 180 days after the day of enactment of this Act.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Subtitle D—Reports

Repeal and modification of various reporting requirements applicable to the Department of Defense (sec. 1041)

The House bill contained a provision (sec. 1016) that would repeal or modify a number of obsolete or superceded reporting requirements presently imposed by statute upon the Department of Defense.

The Senate amendment contained a similar provision (sec. 1031).

The conferees agree to repeal or modify 22 reports currently required of the Department.

Requirement that Department of Defense reports to Congress be accompanied by electronic version (sec. 1042)

The House bill contained a provision (sec. 1013) that would require the Department of Defense to submit to Congress electronic versions of all unclassified reports that are required by law.

The Senate amendment contained no similar provision.

The Senate recedes.

Annual report on the conduct of military operations conducted as part of Operation Enduring Freedom (sec. 1043)

The House bill contained a provision (sec. 1011) that would require the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, the Commander in Chief of the United States Central Command, and the Director of Central Intelligence, to submit to the Committees on Armed Services of the Senate and House of Representatives, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House two reports on the accomplishments and shortcomings of the conduct of military operations conducted as part of Operation Enduring Freedom. Each report would specifically include a discussion of the command, control, coordination and support relationship between United States Special Operations Forces and Central Intelligence Agency elements participating in the operation and recommendations to improve operational readiness and effectiveness. The first report would be required by June 15, 2003, and the final report would be required no later than 180 days after the cessation of hostilities.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to also submit annual reports by June 15 of each year, require the Secretary to include a definition of the military operations carried out as part of Operation Enduring Freedom, maintain as special matters to be included the discussion relating to special operations forces and recommendations for improvement, and add a number of other matters to be addressed in each report.

Report on efforts to ensure adequacy of fire fighting staffs at military installations (sec. 1044)

The Senate amendment contained a provision (sec. 1036) that would require a report to Congress on the adequacy of fire fighting staffs at military installations.

The House bill contained no similar provision.

The House recedes.

Report on designation of certain Louisiana highway as Defense Access Road (sec. 1045)

The Senate amendment contained a provision (sec. 1037) that would direct the Secretary of the Army to submit a report to the congressional defense committees on the advisability of designating Louisiana Highway 28 as a defense access road.

The House bill contained no similar provision.

The House recedes.

Subtitle E—Extension of Expiring Authorities

Extension of authority for Secretary of Defense to sell aircraft and aircraft parts for use in responding to oil spills (sec. 1051)

The Senate amendment contained a provision (sec. 1063) that would extend for four years the authority for the Secretary of Defense to sell aircraft and aircraft parts for use in responding to oil spills.

The House bill contained no similar provision.

The House recedes.

Six-month extension of expiring Governmentwide information security requirements; continued applicability of expiring Governmentwide information security requirements to the Department of Defense (sec. 1052)

The Senate amendment contained a provision (sec. 1061) that would make expiring governmentwide information security requirements permanent with regard to the Department of Defense (DOD).

The House bill contained no similar provision.

The House recedes with an amendment that would: (1) extend for two years the applicability of the expiring requirements to DOD; and (2) extend for six months the applicability of these requirements to other federal agencies.

Two-year extension of authority of the Secretary of Defense to engage in commercial activities as security for intelligence collection activities abroad (sec. 1053)

The Senate amendment contained a provision (sec. 347) that would amend section 431(a) of title 10, United States Code, to extend the authority of the Secretary of Defense to engage in commercial activities as security for intelligence collection activities abroad until December 31, 2004.

The House bill contained no similar provision.

The House recedes.

Subtitle F—Other Matters

Time for transmittal of annual defense authorization legislative proposal (sec. 1061)

The House bill contained a provision (sec. 1022) that would require the Secretary of Defense to transmit to Congress the annual defense authorization legislative proposal for a fiscal year within 30 days of the date the President transmits to Congress the budget for that fiscal year.

The Senate amendment contained no similar provision.

The Senate recedes.

Technical and clerical amendments (sec. 1062)

The House bill contained a provision (sec. 1023) that would make technical and clerical amendments.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment making additional technical and clerical amendments.

Use for law enforcement purposes of DNA samples maintained by Department of Defense for identification of human remains (sec. 1063)

The House bill contained a provision (sec. 1027) that would require the Department of Defense to comply with a valid order of a Federal court or military judge to provide DNA samples for law enforcement purposes.

The Senate amendment contained no similar provision.

The Senate recedes.

Enhanced authority to obtain foreign language services during periods of emergency (sec. 1064)

The House bill contained a provision (sec. 1029) that would authorize the Secretary of Defense to establish and maintain a secure data registry of individuals who volunteer to provide linguistic services in times of emergency to assist the Department of Defense and other departments and agencies of the U.S. Government with translation and interpretation in languages designated as critical by the Secretary.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Rewards for assistance in combating terrorism (sec. 1065)

The Senate amendment contained a provision (sec. 1067) that would add a new section to chapter 3 of title 10, United States Code, to authorize the Secretary of Defense to pay a monetary reward, in an amount not to exceed $200,000, to a person for providing U.S. personnel with information or nonlethal assistance that is beneficial to an operation of the Armed Forces outside the United States against international terrorism or to force protection of the Armed Forces. The policies and procedures for offering and paying rewards would be coordinated with the Secretary of State and the Attorney General. The authority could be delegated to the commander of a combatant command to pay a reward in an amount not to exceed $50,000, and the combatant commander could further delegate such authority to pay rewards in an amount not to exceed $2,500.

The House bill contained no similar provision.

The House recedes with an amendment that would also authorize the payment of in-kind as well as monetary rewards, authorize rewards for assistance to an activity as well as an operation of the Armed Forces outside the United States, provide for delegation to the Deputy Secretary and an Under Secretary of Defense, and other clarifying amendments.

Provision of space and services to military welfare societies (sec. 1066)

The Senate amendment contained a provision (sec. 1068) that would allow the secretaries of the military departments to provide space and services to military welfare societies without charge.

The House bill contained no similar provision.

The House recedes.

Prevention and mitigation of corrosion of military equipment and infrastructure (sec. 1067)

The Senate amendment contained a provision (sec. 904) that would require the Secretary of Defense to designate a senior official in the Department of Defense (DOD) to be responsible for developing corrosion prevention and mitigation policies, reviewing the services' budgets to ensure adequate resources are being devoted to anti-corrosion efforts, and ensuring that anti- corrosion technologies and treatments are considered and inserted at appropriate points in the life cycle of both facilities and military equipment. The provision would further require DOD to develop a long-term strategy to increase the emphasis on corrosion prevention, establish common criteria for the military services when testing and evaluating new technologies, share useful information across DOD stovepipes, and coordinate a research and development plan to help transition new technologies into operational systems and current facilities.

The House bill contained no similar provision.

The House recedes with an amendment that allows the Secretary of Defense to designate a senior official or a standing board or committee to oversee DOD's corrosion-related activities. The amendment also reduces the reporting requirements, although the conferees encourage DOD to take steps to improve the amount and

quality of data available on the resources required to fight corrosion of military equipment and facilities.

The conferees firmly believe that DOD can improve its management and coordination of anti-corrosion policies, regulations, and programs, and that these improvements result in greater efficiency and enhanced readiness and quality of life for service members. The conferees, therefore, urge DOD to act quickly to implement this provision.

Transfer of historic DF–9E Panther Aircraft to Women Airforce Service Pilots Museum (sec. 1068)

The Senate amendment contained a provision (sec. 1066) that would allow the Secretary of the Navy to convey a DF–9E Panther aircraft to the Women Airforce Service Pilots (WASP) Museum.

The House bill contained no similar provision.

The House recedes with a clarifying amendment to specify that the aircraft would be in a non-flyable condition.

Increase in amount authorized to be expended for Department of Defense program to commemorate 50th anniversary of the Korean War (sec. 1069)

The conference agreement includes a provision (sec. 1069) that would increase the amount authorized for expenditures by the Korean War Commemorative Committee from $7.0 million to $10.0 million.

LEGISLATIVE PROVISIONS NOT ADOPTED

Assignment of members to assist Immigration and Naturalization Service and Customs Service

The House bill contained a provision (sec. 1033) that would amend chapter 18 of title 10, United States Code, to authorize the Secretary of Defense to assign members of the Army, Navy, Marine Corps, and Air Force to assist the Immigration and Naturalization Service in preventing the entry of terrorists, drug traffickers, and illegal aliens into the United States, and to assist the Customs Service in the inspection of cargo, vehicles, and aircraft at points of entry into the United States to prevent the entry of weapons of mass destruction, components of such weapons, prohibited narcotics or drugs, or other terrorist or drug trafficking items. Such assignment could take place only at the request of the Attorney General or the Secretary of the Treasury, respectively. A member so assigned could not make an arrest or perform a search, seizure, or similar law enforcement activity.

The Senate amendment contained no similar provision.

The House recedes.

Authority to transfer funds within a major acquisition program from Procurement to Research, Development, Test and Evaluation

The House bill contained a provision (sec. 1006) that would provide the Secretary of Defense limited authority to transfer funds from Procurement to Research, Development, Test, and Evaluation for the same acquisition program.

The Senate amendment contained no similar provision.

The House recedes.

Availability of amounts for Oregon Army National Guard for search and rescue and medical evacuation missions in adverse weather conditions

The Senate amendment contained a provision (sec. 1012) that would authorize $3.0 million to upgrade three UH–60L Blackhawk helicopters of the Oregon Army National Guard to improve their utility in search and rescue (SAR) and medical evacuation missions. The provision further authorized $1.8 million for up to 26 additional military personnel to perform these missions.

The House bill contained no similar provision.

The Senate recedes on the provision. The Army aircraft procurement table contained in this report describes the conference agreement for helicopter upgrades to improve SAR capabilities.

Charter grant to Korean War Veterans Association

The Senate amendment contained a provision (sec. 1070) that would grant a federal charter to the Korean War Veterans Association, Incorporated.

The House bill contained no similar provision.

The Senate recedes.

The conferees' decision reflects the agreement contained in the statement of managers accompanying sections 1501 through 1516 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) that, "in the future, amendments to the National Defense Authorization Bill that would grant a federal charter should not be included in a conference agreement unless favorably recommended by the committees of jurisdiction."

Enhanced cooperation between United States and Russian Federation to promote mutual security

The House bill contained a provision (sec. 1031) that would state that it is the policy of the United States to pursue greater cooperation with the Russian Federation regarding nuclear weapons policy, force structure, safeguards, testing, and proliferation prevention, as well as nuclear weapons infrastructure, production, and dismantlement, so as to promote mutual security, stability, and trust. The provision would also set forth a sense of Congress that the President of the United States should continue to engage the President of the Russian Federation in the interest of preventing illicit use, theft, diversion, and proliferation of nuclear weapons. The provision would encourage a series of reciprocal programs of joint visits and conferences dealing with nuclear weapons, ballistic missile defenses, nonproliferation, disposition of weapons grade nuclear materials and spent reactor fuel. The provision would also require the President to submit a report to Congress on the status and description of the various actions to develop such programs with the Russian Federation and the response of the Russian Federation, as well as an assessment of the Russian Federation's commitment to a better, closer relationship with the United States based on the principles of increased cooperation and transparency.

The Senate amendment contained no similar provision.

The House recedes.

Homeland security activities of the National Guard

The Senate amendment contained a provision (sec. 1041) that would amend title 32, United States Code, to authorize the Governor of a State, at the request of a federal law enforcement agency and with the concurrence of the Secretary of Defense, to order personnel of the National Guard of a State to perform full-time National Guard duty for the purpose of carrying out homeland security activities. Such personnel would be provided for a limited time until the agency could recruit and train sufficient personnel to perform these activities. The Secretary of Defense would provide funds to the Governor to fund the costs of the National Guard personnel and would be reimbursed by the agency receiving the support. The activities would be provided pursuant to a memorandum of understanding between the Secretary of Defense and the Governor.

The House bill contained no similar provision.

The Senate recedes.

Limitation on duration of future Department of Defense reporting requirements

The House bill contained a provision (sec. 1020) that would automatically sunset recurring congressional defense reporting requirements after five years.

The Senate amendment contained no similar provision.

The House recedes.

Reallocation of authorizations of appropriations from ballistic missile defense to shipbuilding

The Senate amendment contained a provision (sec. 1002) that would transfer funding from ballistic missile defense programs to shipbuilding programs.

The House bill contained no similar provision.

The Senate recedes.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Report on biological weapons defense and counterproliferation

The House bill contained a provision (sec. 1012) that would require a report on U.S. biological weapons defense and counterproliferation programs, including information on impediments to the biological weapons counterproliferation efforts.

The Senate amendment contained no similar provision.

The House recedes.

The conferees have addressed the issue of information about impediments to U.S. biological counterproliferation efforts in a separate section that is described elsewhere in this report.

Report on effects of nuclear-tipped ballistic missile interceptors and nuclear missiles not intercepted

The House bill contained a provision (sec. 1019) that would direct the Secretary of Defense to request the National Academy of Sciences to study and report on the effects of the use of a nuclear-

tipped interceptor and the effects on a major U.S. city of the detonation of a nuclear weapon delivered by a ballistic missile.

The Senate amendment contained no similar provision.

The House recedes.

Sense of Congress on maintenance of a reliable, flexible, and robust strategic deterrent

The House bill contained a provision (sec. 1021) that would set forth a sense of Congress that the President should maintain a reliable, flexible, and robust strategic deterrent consistent with the national defense strategy outlined in the Quadrennial Defense Review, the Nuclear Posture Review, and the global strategic environment.

The Senate amendment contained no similar provision.

The House recedes.

Sense of Congress on prohibition of use of funds for International Criminal Court

The House bill contained a provision (sec. 1034) that would prohibit the use of funds appropriated pursuant to authorizations of appropriations in this Act for any assistance to, cooperation with, or support for the International Criminal Court.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note that, subsequent to passage of the House bill, the President signed legislation making supplemental appropriations for fiscal year 2002 (Public Law 107–206). That legislation contained the American Servicemembers' Protection Act of 2002, which protects United States military personnel and other elected and appointed officials of the United States Government against criminal prosecution by the International Criminal Court. Accordingly, the House provision is no longer necessary.

Transfer of funds to increase amounts for PAC–3 missile procurement and Israeli Arrow program

The House bill contained a provision (sec. 1032) that would transfer funding to the PAC–3 and Arrow programs from other Missile Defense Agency programs.

The Senate amendment contained no similar provision.

The House recedes.

By convention, outcomes of funding differences between the House bill and the Senate amendment are included in the tables elsewhere in this report.

Utah Test and Training Range

Title XIV of the House bill contained a series of provisions that would designate certain lands in Utah around the Utah Test and Training Range (UTTR) as wilderness areas. Low level military overflights, special use airspace designations, installation of electronic equipment, and emergency access would be unrestricted in these wilderness areas. Title XIV would also prohibit the Secretary of the Interior from developing or revising certain land use plans in Utah without the prior concurrence of the Secretary of the Air Force and the State of Utah.

The Senate amendment contained no similar provision.

The House recedes.

War risk insurance for vessels in support of NATO-approved operations

The House bill contained a provision (sec. 1024) that would authorize the Secretary of Transportation to provide war risk insurance to a commercial vessel that is supporting a shared logistics military operation approved by the North Atlantic Council. This section would also authorize the Secretary of Transportation, with the concurrence of the Secretary of State, to seek from another nation a commitment to indemnify the United States for any amounts paid by the United States for claims against such insurance.

The Senate amendment contained no similar provision.

The House recedes.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

LEGISLATIVE PROVISIONS ADOPTED

Eligibility of Department of Defense nonappropriated fund employees for long-term care insurance (sec. 1101)

The House bill contained a provision (sec. 1101) that would permit nonappropriated fund employees of the Department of Defense to participate in the employee-funded federal long-term care insurance program.

The Senate amendment contained a similar provision (sec. 1104).

The Senate recedes.

Extension of Department of Defense authority to make lump-sum severance payments (sec. 1102)

The House bill contained a provision (sec. 1102) that would extend from September 30, 2003 to September 30, 2006, the authority of the Secretary of Defense to pay lump-sum severance payments to civilian employees. The provision would also require the President to report to Congress whether this authority should be made permanent or extended to other federal agencies.

The Senate amendment contained a similar provision (sec. 1101).

The Senate recedes with an amendment specifying the congressional committees to whom the report must be submitted.

Continuation of Federal Employee Health Benefits Program eligibility (sec. 1103)

The House bill contained a provision (sec. 1104) that would extend for three years eligibility for continued health care coverage under the Federal Employee Health Benefits Program of certain Department of Defense civilian employees who are separated due to a reduction in force.

The Senate amendment contained a similar provision (sec. 1103).

The Senate recedes.

Certification for Department of Defense professional accounting positions (sec. 1104)

The House bill contained a provision (sec. 1106) that would authorize the Secretary of Defense to prescribe professional certification and credential standards for professional accounting positions.

The Senate amendment contained a similar provision (sec. 1106).

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Common occupational and health standards for differential payments as a consequence of exposure to asbestos

The House bill contained a provision (sec. 1103) that would establish a common standard for payment of environmental differential pay for exposure to asbestos for prevailing rate and general schedule federal employees.

The Senate amendment contained no similar provision.

The House recedes.

Currently, general schedule employees are entitled to eight percent differential pay when working conditions result in exposure to asbestos exceeding the permissible exposure limits established by the Occupational Safety and Health Administration. The existing environmental differential pay for wage-grade employees also entitles them to the same eight percent differential pay but does not set an objective measure for determining the level of asbestos exposure necessary to qualify for environmental differential pay. This has led to inconsistent application of environmental differential pay.

The conferees remain concerned that this issue was not addressed as directed in the statement of managers accompanying the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107). The conferees encourage the Federal Prevailing Rate Advisory Committee (FPRAC) to continue its review of this issue, which provides a forum for interested parties. The conferees expect the FPRAC to consider adoption of a consistent, objective means of measuring asbestos exposure for federal prevailing rate and general schedule employees that addresses the actual risk of asbestos exposure based on scientific and empirical data.

Extension of voluntary separation incentive pay authority

The Senate amendment contained a provision (sec. 1102) that would extend from September 30, 2003, to September 30, 2006, the authority of the Secretary of Defense to pay voluntary separation incentive pay to civilian employees.

The House bill contained no similar provision.

The Senate recedes.

The conferees were unable to include this provision because of the lack of an adequate mandatory funding allocation.

The conferees are well aware of a potential human capital crisis facing the Federal Government and its impact on the Department of Defense. The conferees know that the Department has developed a human resources strategic plan designed to provide a

roadmap to the future and has aggressively implemented many civilian personnel demonstration authorities granted by Congress. However, these steps alone may not be sufficient to meet the demand for new hires and to accommodate the reshaping necessary to transform the Department. The conferees encourage the Department to use existing authorities to the fullest extent possible.

In order to address this potential human capital crisis, the conferees direct the Secretary of Defense to review the human resources strategic plan and the existing civilian personnel demonstration authorities and, no later than March 31, 2003, provide to the Committees on Armed Services of the Senate and House of Representatives, the Committee on Government Affairs of the Senate, and the Committee on Government Reform and Oversight of the House of Representatives an assessment of the effectiveness of these authorities and recommend any legislative changes necessary to effectively and efficiently manage the civilian employees of the Department of Defense.

Increased maximum period of appointment under the experimental personnel program for scientific and technical personnel

The Senate amendment contained a provision (sec. 1105) that would extend the maximum period of appointment under an experimental personnel program for scientific and technical personnel.

The House bill contained no similar provision.

The Senate recedes.

The conferees recognize the importance of offering a competitive retirement benefit in order to recruit and retain highly qualified employees for these temporary positions. The conferees also recognize, however, that the benefit, which is defined by the Federal Employees Retirement System, is not portable and is therefore not likely to be attractive to many qualified individuals, particularly those in the early and middle stages of their careers. Therefore, the conferees direct the Secretary of Defense to study alternative retirement proposals, including a fully portable, defined contribution plan or, where appropriate, to permit employees in these positions to continue to participate in non-federal retirement plans. The results of the study and any such legislative proposal as the Secretary deems appropriate shall be submitted to Congress as part of the annual report on the program that is required by section 1101 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261).

Triennial full-scale federal wage system wage surveys

The House bill contained a provision (sec. 1105) that would change the full-scale federal wage system wage survey cycle conducted by the Office of Personnel Management from two to three years.

The Senate amendment contained no similar provision.

The House recedes.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

LEGISLATIVE PROVISIONS ADOPTED

Authority to provide administrative services and support for coalition liaison officers (sec. 1201)

The House bill contained a provision (sec. 1203) that would authorize the Secretary of Defense and the secretaries of the military departments to provide administrative services and support to foreign liaison officers performing duties, through the Department of Defense Foreign Liaison Officer Program, at military facilities in the United States.

The Senate amendment contained a provision (sec. 1211) that would authorize the Secretary of Defense to provide administrative support and services to coalition liaison officers while they are temporarily assigned to the headquarters of a combatant command, component command, or subordinate operational command in connection with the planning for, or conduct of, a coalition operation. The Secretary would also be authorized to pay the travel, subsistence, and personnel expenses of a liaison officer of a developing country in connection with the assignment of that liaison officer to the headquarters of a combatant command if the assignment is requested by the commander of the combatant command.

The House recedes with an amendment that would limit the payment of personal expenses for a liaison officer from a developing country to those which are directly necessary to carry out the duties of that officer in connection with the assignment, provide for the authority under this section to expire on September 30, 2005, and require the Comptroller General to submit a report to the Committees on Armed Services of the Senate and House of Representatives by March 1, 2005, on the implementation of this authority.

Authority to pay for certain travel of defense personnel of countries participating in NATO Partnership for Peace program (sec. 1202)

The Senate amendment contained a provision (sec. 1212) that would amend section 1051 of title 10, United States Code, to authorize the Secretary of Defense to pay for the travel-related expenses of defense personnel from a developing country participating in the North Atlantic Treaty Organization's (NATO) Partnership for Peace (PfP) program to the territory of any of the countries participating in the PfP program or of any of the NATO member countries.

The House bill contained no similar provision.

The House recedes with an amendment clarifying that the authority is limited to developing countries that are participating in PfP but are not members of NATO.

Limitation on funding for Joint Data Exchange Center in Moscow (sec. 1203)

The House bill contained a provision (sec. 1205) that would prohibit obligation or expenditure of more than 50 percent of the funds authorized for fiscal year 2003 for activities associated with

the Joint Data Exchange Center (JDEC) in Moscow, Russia, until: (1) the United States and the Russian Federation enter into a cost-sharing agreement as required by section 1231 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398); (2) the United States and the Russian Federation enter into an agreement exempting the United States from Russian taxes and liability laws for activities associated with the JDEC; and (3) 30 days have elapsed after the Secretary of Defense submits to the Committees on Armed Services of the Senate and the House or Representatives, the Committee on Foreign Relations of the Senate, and the Committee on International Relations of the House of Representatives, a copy of each required agreement.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees continue to support activities to improve transparency and build confidence and cooperation between the United States and the Russian Federation and believe the JDEC will make an important contribution to these efforts. The conferees urge the Secretary of Defense to work diligently to obtain agreement or agreements with the Russian Federation that meet the requirements of section 1231.

Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities (sec. 1204)

The House bill contained a provision (sec. 1201) that would extend the authority under section 1505 of the Weapons of Mass Destruction Control Act of 1992, section 5859a of title 22, United States Code, for the Department of Defense to expend up to $15.0 million in fiscal year 2003 in support of United Nations-sponsored inspection and monitoring efforts to ensure Iraqi compliance with its international obligations to destroy its weapons of mass destruction programs and associated delivery systems.

The Senate amendment contained an identical provision (sec. 1213).

The conference agreement includes this provision.

Comprehensive annual report to Congress on coordination and integration of all United States non-proliferation activities (sec. 1205)

The Senate amendment contained a provision (sec. 3162) that would amend section 1205 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), which directed the President to submit a report on a plan to secure nuclear weapons, material, and expertise in the states of the Former Soviet Union, to require an annual update on the status of implementing the plan.

The House bill contained no similar provision.

The House recedes.

Report requirement regarding Russian proliferation to Iran and other countries of proliferation concern (sec. 1206)

The House bill contained a provision (sec. 1306) that would express the sense of Congress about the seriousness of Russian proliferation assistance to the weapons of mass destruction programs

of Iran and other countries. The provision would also require an annual report beginning in 2003 and continuing through 2009, describing in detail such assistance and its consequences and the efforts of the United States to defend against and end such proliferation.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require an annual report beginning in 2003 and continuing through 2009, describing in detail Russian proliferation of weapons of mass destruction and ballistic missile goods, technology, expertise and information, and of related dual-use items, to Iran and other countries of proliferation concern during the preceding year. The report would describe the impact and consequences of such proliferation and the efforts of the United States to halt such proliferation.

The conferees note that this provision is intended to apply to prohibited acts of proliferation assistance.

Monitoring of implementation of 1979 agreement between the United States and China on cooperation in science and technology (sec. 1207)

The Senate amendment included a provision (sec. 1216) that would require the Office of Science and Technology Cooperation of the Department of State to monitor the implementation of the 1979 United States-China Agreement on Cooperation in Science and Technology (S&T) and its protocols. The amendment would require the Office of S&T Cooperation to submit a biennial report on the activities conducted under this agreement and the benefits of this agreement to the Chinese economy, military, and defense industrial base.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the President to establish a working group to monitor the Agreement and directs the Director of Central Intelligence, the Secretary of Defense, and the Inspector General of the Commerce Department to conduct various assessments that would be components of the biennial report. The conferees continue to support the numerous mutually beneficial exchanges that occur under the auspices of the Agreement.

Extension of certain counterproliferation activities and programs (sec. 1208)

The Senate amendment contained a provision (sec. 1033) that would extend the date of submission of the annual report on counterproliferation activities and programs from February 1 to May 1 of each year.

The House bill contained no similar provision.

The House recedes with an amendment that would extend the service of the interagency Counterproliferation Program Review Committee through September 2008. It would also require that the annual report include a discussion of the limitations on and impediments to the biological weapons counterproliferation efforts of the Department of Defense and include recommendations for ways to make such efforts more effective.

Semiannual report by Director of Central Intelligence on contributions by foreign persons to efforts of countries of proliferation concern to obtain weapons of mass destruction and their delivery systems (sec. 1209)

The Senate amendment contained a provision (sec. 1040) that would require biannual reports to Congress by the President on foreign persons that make a material contribution to the development of weapons of mass destruction or missiles by a country of proliferation concern.

The House bill contained no similar provision.

The House recedes with an amendment that would conform and add the provision to Title VII of the Combating Weapons of Mass Destruction Act of 1996 (Public Law 104–293). The first report required under this provision would be due no later than January 1, 2004.

Report on feasibility and advisability of senior officer exchanges between the Armed Forces of the United States and the military forces of Taiwan (sec. 1210)

The House bill included a provision (sec. 1202) which directed the Secretary of Defense to prepare and implement a plan for conducting joint operational training for and exchanges of senior officers between the Armed Forces of the United States and the Armed Forces of Taiwan. The Secretary would submit this plan to Congress at least 30 days before commencing with its implementation.

The Senate amendment included no similar provision.

The Senate recedes with an amendment requiring the President to submit to Congress a report on the feasibility and advisability of conducting combined operational training with, and exchanges of general and flag officers between, the Armed Forces of the United States and the military forces of Taiwan and a discussion of the progress being made on meeting U.S. commitments to the security of Taiwan.

Report on United States force structure in the Pacific (sec. 1211)

The conferees agree to include a provision which directs the Secretary of Defense to submit to Congress a report on the Department of Defense's plans to maintain adequate force structure in the Pacific theater. The report would be submitted no later than 180 days after the date of enactment of this Act.

LEGISLATIVE PROVISIONS NOT ADOPTED

Additional countries covered by loan guarantee program

The House bill contained a provision (sec. 1204) that would amend section 2540(b) of title 10, United States Code, to authorize the Secretary of Defense, in consultation with the Secretary of State, to expand the list of countries eligible under the Defense Export Loan Guarantee Program.

The Senate amendment contained no similar provision.

The House recedes.

Arctic and Western Pacific Environmental Cooperation Program

The Senate amendment contained a provision (sec. 1214) that would authorize the Secretary of Defense to conduct a cooperative program with countries in the Arctic and Western Pacific regions. The Secretary, with the concurrence of the Secretary of State, would be authorized to provide cooperative assistance or provide assistance on environmental matters in the Arctic and Pacific regions with certain exceptions. The primary focus of the program would be technology projects and activities related to radiological threats and contamination. To reflect this focus, the provision would limit the availability of program funds to no more than 20 percent of such funds on non-radiological matters. The provision would also require the Secretary to submit an annual report on the program that would include a discussion of the activities, the funding, the life-cycle costs of any projects, the participants, and any contributions from other agencies or countries.

The House bill contained no similar provision.

The Senate recedes.

Department of Defense HIV/AIDS Prevention Assistance Program

The Senate amendment contained a provision (sec. 1215) that would authorize the Secretary of Defense to expand the existing program of HIV/AIDS prevention education activities undertaken in connection with the conduct of U.S. military training, exercises, and humanitarian assistance in sub-Saharan Africa, to countries that are suffering a public health crisis relating to HIV/AIDS and that participate in the military-to-military contacts program of the Department of Defense. The activities would focus, to the extent possible, on military units that participate in peacekeeping operations and would include HIV/AIDS-related voluntary counseling and testing and HIV/AIDS-related surveillance.

The House bill contained no similar provision.

The Senate recedes.

The conferees note that the Department of Defense has extensive authorities in title 10, United States Code, relating to military-to-military contacts and comparable activities, humanitarian and civic assistance provided in conjunction with military operations, and other similar activities. The conferees take this action without prejudice and invite the Secretary of Defense to submit a legislative proposal for any additional authorities that he needs in this area.

Limitation on number of military personnel in Colombia

The House bill contained a provision (sec. 1206) that would prohibit the use of funds available to the Department of Defense to support or maintain more than 500 members of the Armed Forces on duty in the Republic of Colombia at any one time. Members in Colombia for no more than 30 days for the purpose of rescuing or retrieving U.S. military or civilian Government personnel, members assigned to the security assistance office or to the Marine Corps security contingent at the Embassy, members participating in relief efforts to respond to a natural disaster, nonoperational transient military personnel, and members making a ship port call, would all be excluded from the 500 member limitation. The Sec-

retary of Defense would have the authority to waive the limitation if he determines that such waiver is in the national security interest.

The Senate amendment contained no similar provision.

The House recedes.

Russian tactical nuclear weapons

The Senate amendment contained a provision (sec. 1205) that would set forth findings with respect to the potential threats posed by unsecured Russian tactical nuclear weapons. The provision would also set forth the sense of the Senate that stolen Russian tactical nuclear weapons could be used against the United States, that it should be a priority of the United States to account for, secure, and reduce the number of Russian tactical nuclear weapons and materials, and that the threat warrants a special nonproliferation initiative. The provision would also require the President to submit a report to Congress 30 days after the date of enactment of this Act on efforts, including establishing a special initiative, to reduce the threats from Russian tactical nuclear weapons.

The House bill contained no similar provision.

The Senate recedes.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

ITEMS OF SPECIAL INTEREST

Weapons of Mass Destruction Proliferation Prevention Program of the Cooperative Threat Reduction program with the States of the Former Soviet Union

The Department of Defense (DOD) requested $40.0 million in the fiscal year 2003 budget request to initiate a new program within the Cooperative Threat Reduction (CTR) program called the Weapons of Mass Destruction Proliferation Prevention Program. The program would provide CTR assistance to enhance the capability of non-Russian Former Soviet Union (FSU) military, internal security forces, border guards, and customs forces to prevent, deter, detect and interdict unauthorized movement of weapons of mass destruction or related materials across borders and to respond effectively to terrorist incidents at borders. While the conferees support this new effort, the conferees are concerned that there may be potential for duplication of effort with other similar programs within DOD as well as with the Department of Energy's National Nuclear Security Administration (NNSA) FSU activities.

The conferees urge DOD to coordinate this new CTR program with all existing programs within DOD, the NNSA, the Department of State, the U.S. Customs Service, the Federal Bureau of Investigation, and the U.S. Coast Guard. The conferees expect DOD to coordinate with the NNSA in the area of weapons of mass destruction detection technology. The conferees direct DOD to report to the congressional defense committees, no later than December 31, 2002, the results of this coordination. The conferees expect DOD to present a plan, coordinated with the Department of State, the Administrator of the NNSA, and the other federal agencies,

that describes how this new program will complement and enhance, rather than duplicate, any similar ongoing effort in any other federal agency and the interagency process for coordinating these programs in the future.

LEGISLATIVE PROVISIONS ADOPTED

Specification of Cooperative Threat Reduction programs and funds (sec. 1301)

The House bill contained a provision (sec. 1301) that would define the programs and funds that are Cooperative Threat Reduction (CTR) programs and funds and specify that CTR funds shall remain available for obligation for three fiscal years.

The Senate amendment contained an identical provision (sec. 1201).

The conferees agree to include the provision.

Funding allocations (sec. 1302)

The House bill contained a provision (sec. 1302) that would authorize $416.7 million for the Cooperative Threat Reduction (CTR) program and would allocate the funds among the various program activities. In addition, the provision would provide limited authority to vary the amounts allocated to individual program activities including a requirement that for certain CTR program activities, the amount obligated for those program activities may not exceed 115 percent of the amount allocated. The provision would also allow $83.6 million of the funds authorized to be used either for activities related to strategic and nuclear systems or for destruction of chemical weapons in Russia and Ukraine.

The Senate amendment contained a similar provision (sec. 1202) that would authorize $416.7 million for the CTR program and allocate the funds among the various program activities.

The Senate recedes with an amendment that would authorize $417.6 million for the CTR program, modify certain of the allocations among the CTR program activities, and increase the limitation on obligation to 125 percent of the amount authorized.

Prohibition against use of funds until submission of reports (sec. 1303)

The House bill contained a provision (sec. 1303) that would prohibit obligation or expenditure of all fiscal year 2003 Cooperative Threat Reduction (CTR) funds until 30 days after two reports are submitted.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would prohibit expenditure or obligation of 50 percent of the fiscal year 2003 CTR funds until 30 days after the required reports have been submitted to Congress.

Report on use of revenue generated by activities carried out under Cooperative Threat Reduction programs (sec. 1304)

The House bill contained two provisions (secs. 1304 and 1309) that would establish additional reporting requirements for the Cooperative Threat Reduction (CTR) program. Section 1304 would

amend the annual CTR reporting requirement in section 1308(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) to add a description of how revenue generated by activities carried out under the CTR program are utilized, monitored, and accounted for. Section 1309 would require the Secretary of Defense to submit a new stand-alone report describing in detail the operation and success of activities carried out by the defense and military contacts element of the CTR program. Section 1309 would also prohibit obligation or expenditure of more than 50 percent of the CTR funds allocated for defense and military contacts until such report is submitted to Congress.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would combine both reporting requirements into a single provision that would amend section 1308(c) to include both reports as elements of the annual CTR report. The amendment would delete the funding prohibition. The new reporting requirements would be included in the annual report for fiscal year 2003, that would be submitted in 2004.

Prohibition against use of funds for second wing of fissile materials storage facility (sec. 1305)

The House bill contained a provision (sec. 1305) that would prohibit any funds appropriated for the Cooperative Threat Reduction program from being used for design, planning, or construction of a second wing for a storage facility for storing Russian fissile material.

The Senate amendment contained no similar provision.

The Senate recedes.

Limited waiver of restrictions on use of funds for threat reduction in states of the former Soviet Union (sec. 1306)

The Senate amendment contained a provision (sec. 1204) that would provide the President with permanent authority to waive the annual certifications required for both the Cooperative Threat Reduction (CTR) programs and the Freedom Support Act nonproliferation programs, as requested by the administration. The provision would amend section 1203 of the Cooperative Threat Reduction Act of 1993 (22 U.S.C. 5952) and section 502 of the Freedom Support Act (22 U.S.C. 5852) and provide the President the authority to waive the restrictions in any given fiscal year for any given country if such a waiver is important to the national security interests of the United States.

If the President chooses to exercise the waiver for either the Cooperative Threat Reduction Act or Freedom Support Act preconditions, this waiver would be effective only when the President submits to Congress a report describing the activity or activities that prevent the President from making the certification or certifications required by the Act and the strategy, plan, or policy of the President to promote the relevant State's future commitment to the preconditions.

The House bill contained a similar provision (sec. 1308) but would allow the waiver authority only for the certification required by section 1203(d)(5) of the Cooperative Threat Reduction Act,

which states Russia is committed to complying with all relevant arms control agreements. The waiver authority would be available until September 30, 2005.

The House recedes with an amendment that would limit the authority to grant an annual waiver to three fiscal years.

LEGISLATIVE PROVISIONS NOT ADOPTED

Prohibition against use of Cooperative Threat Reduction funds outside the States of the former Soviet Union

The House bill contained a provision (sec. 1307) that would prohibit the use of Cooperative Threat Reduction (CTR) funds for any fiscal year for any projects or activities outside the States of the Former Soviet Union (FSU).

The Senate amendment contained a provision (sec. 1203) that would authorize the use of CTR funds for threat reduction activities outside the States of the FSU under certain circumstances and with certain restrictions.

The conferees agree to drop both provisions.

The conferees recognize that the President periodically determines that it is necessary for the United States Government to address an emergency proliferation threat from weapons of mass destruction (WMD) outside of the States of the FSU that would affect the national security interests of the United States.

Therefore the conferees direct the Secretary of Defense to conduct a review of the authorities currently available to the United States Government to be able to respond to any emergency WMD proliferation threat. In this review the Secretary should identify any prohibition, impediment, or limitation imposed by any statute, order, regulation, or policy that would limit or prevent a Unites States Government response, including a response by the Secretary of Defense. In reviewing the authorities available to the Department of Defense (DOD) these should include situations when DOD response is in a support role to another federal agency or is the lead federal agency. The review should also include an explanation of the Department's role in the interagency process.

The Secretary is directed to submit a report to the congressional defense committees that would set forth the results of this review and invited to submit a legislative proposal to remedy shortcomings in his existing authority. This report shall be due no later than March 1, 2003.

TITLE XIV—HOMELAND SECURITY

LEGISLATIVE PROVISIONS ADOPTED

Transfer of technology items and equipment in support of homeland security (sec. 1401)

The House bill contained a provision (sec. 142) that would authorize the Secretary of Defense to enter into an agreement with an independent, non-profit, technology-oriented entity to facilitate technology transfer of promising defense technologies to aid the homeland security efforts of federal, state and local "first responders".

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to designate a senior official of the Department of Defense to coordinate the Department's efforts to identify, evaluate, deploy, and transfer technology items to first responders in support of homeland security. The conference amendment would require the senior official to work with other appropriate federal agencies and to use competitive procedures to enter into an agreement with a highly qualified private sector entity to assist in these efforts.

The conferees expect the Department to work with the new Department of Homeland Security, if such an agency is established, in any effort to transfer homeland security technologies to first responders. The conferees also anticipate that the Department of Defense will give appropriate consideration to standards developed by the Inter-Agency Board for Equipment Standardization and Interoperability when it works to identify and evaluate new homeland security technologies.

Comprehensive plan for improving the preparedness of military installations for terrorist incidents (sec. 1402)

The Senate amendment contained a provision (sec. 1045) that would direct the Secretary of Defense to develop a comprehensive plan to improve the preparedness of military installations for incidents involving weapons of mass destruction (WMD). The Secretary would submit the plan to the congressional defense committees no later than 180 days after this legislation comes into effect. No later than 60 days after the Secretary submits the plan to Congress, the Comptroller General would be required to review it and submit a report assessing the plan to the congressional defense committees. The Secretary would be directed to inform Congress of progress under and updates to the plan for a total of three years.

The House bill contained no such provision.

The House recedes with an amendment to change the provision so that the plan would address preparedness of military installations for terrorist incidents, not limited to those involving weapons of mass destruction.

Additional Weapons of Mass Destruction Civil Support Teams (sec. 1403)

The House bill contained a provision (sec. 1551) that would direct the Secretary of Defense to establish at least one Weapons of Mass Destruction Civil Support Team (WMD CST) in each state and territory. The Secretary would be required to ensure that this provision is fully implemented by September 30, 2003.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment directing the Secretary to establish 23 additional teams, one for each state and territory, and requiring the Secretary to submit to Congress within six months of enactment of this Act a report including his plan for establishing these teams. The report would include a schedule and budget for manning, training, and equipping the new teams as rapidly as possible without jeopardizing the attainment of full effectiveness by the teams. The report would also include a discussion

of whether the mission of the teams should be expanded, and if so, how.

Report on the role of the Department of Defense in supporting homeland security (sec. 1404)

The House bill contained a provision (sec. 1017) requiring the Secretary of Defense to submit to the congressional defense committees a report on Department of Defense (DOD) responsibilities, missions, and plans for military support of homeland security.

The Senate amendment contained a provision (sec. 1044) requiring the Secretary to submit a detailed report on how DOD should be fulfilling and is fulfilling its homeland defense mission.

The Senate recedes with an amendment that would combine the report requirements outlined in these provisions.

Sense of Congress on Department of Defense assistance to local first responders (sec. 1405)

The House bill contained a provision (sec. 1553) that would express the sense of Congress that the Secretary of Defense should, to the extent that the Secretary determines appropriate, use funds provided in the Act to assist, train, and equip local fire and police departments that would act as first responders to domestic terrorist incidents that may come about in connection with the continued fight to prosecute the war on terrorism.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment stating that, to the extent the Secretary considers appropriate and feasible and in accordance with the law, the Secretary should provide assistance to entities that are local first responders for domestic terrorist incidents and assist those entities in improving their capabilities to respond to such incidents.

LEGISLATIVE PROVISIONS NOT ADOPTED

Additional weapons of mass destruction civil support teams

The House bill contained a provision (sec. 1026) that would express the sense of Congress that the Secretary of Defense should establish at least one Weapons of Mass Destruction Civil Support Team (WMD CST) in each state and territory.

The Senate amendment contained no similar provision.

The House recedes.

TITLE XV—AUTHORIZATION OF APPROPRIATIONS FOR THE WAR ON TERRORISM

LEGISLATIVE PROVISIONS ADOPTED

Authorization of appropriations for continued operations for the war on terrorism (secs. 1501–1508)

Title XV of the House bill contained a series of provisions that would authorize $10.0 billion to continue the war on terrorism. The House bill would provide $3.5 billion for a war on terrorism operations fund, $1.0 billion for an equipment replacement and enhancement fund, $200.0 million for additional munitions purchases, and $2.0 billion for classified programs. The House bill would also

authorize, within the $10.0 billion total, approximately $3.1 billion for programs for which funds were requested elsewhere in the fiscal year 2003 budget request, including the Defense Emergency Response Fund. The House bill would also provide additional funding for enhanced military personnel benefits that were contained in that title.

Section 1003 of the Senate amendment would authorize the appropriation of $10.0 billion for continuing the war on terrorism, as requested in the President's budget, contingent on the submission of a subsequent request by the President that identified a proposed allocation and plan for the use of these funds.

On July 3, 2002, the President submitted a budget amendment that proposed to allocate $2.5 billion of the $10.0 billion requested to military personnel and mobilization costs, $5.3 billion to the cost of military operations, $2.0 billion for classified programs, and $200.0 million for additional munitions.

The Senate recedes with an amendment that would authorize $10.0 billion for the conduct of Operation Noble Eagle and Operation Enduring Freedom to continue the war on terrorism in accordance with the conditions stated in the Authorization for Use of Military Force (Public Law 107–40). The conferees agree to authorize $10.0 billion that would be available for transfer to the normal budget accounts of the Department of Defense for the following purposes: $2.5 billion for mobilization and other military personnel costs; $4.3 billion for the operating costs of military operations; $1.0 billion for equipment replacement and enhancement of military capabilities; $2.0 billion for classified programs; and $200.0 million for additional munitions. Funding would be available for the specific munitions programs identified in the July 3, 2002, budget amendment as follows:

	[Dollars in millions]
Army	$94.0
Procurement of Ammunition, Army:	
5.56 mm—all types (training)	15.0
.50-caliber—all types (training)	5.0
105 mm HE recapitalization	5.0
155 mm M795	20.0
MACS	20.0
Fuze M762	5.0
105 mm illumination round	5.0
120 mm mortar high explosive multi-option fuze	10.0
25mm M919 for Bradley	9.0
Navy	60.0
Weapons Procurement, Navy:	
AGM 114M Hellfire missiles	35.0
Procurement of Ammunition, Navy and Marine Corps:	
General purpose bomb components	25.0
Air Force	40.0
Procurement of Ammunition, Air Force:	
General purpose bomb components	40.0
Special Operations Command	6.0
Procurement, Defnese-wide:	
Special Operations Forces Munitions	6.0
Total	200.0

The conferees agree to require prior notification to the congressional defense committees before funds are transferred to the normal budget accounts for obligation.

The conferees further agree to allow the Secretary of Defense to transfer up to $1.0 billion of the amount authorized in section 1501 to authorizations that were reduced in Titles I, II, and III to reflect savings to be achieved through the improved management of the Department's contracts for services and the deferral of expenditures on financial management systems, if the Secretary determines that such savings are not achievable. This provision would give the Secretary discretion to either: (1) achieve $1.0 billion of savings through management efficiencies as provided in Titles I, II and III; or (2) transfer up to $1.0 billion out of the contingency fund in lieu of achieving such savings.

LEGISLATIVE PROVISIONS NOT ADOPTED

Air Force procurement

The House bill contained a provision (sec. 1523) that would authorize $383.2 million for specific Air Force procurement programs in support of the war against terrorism.

The Senate amendment contained no similar provision, but the Senate amendment would authorize funding for these and other procurement activities in Title I.

The House recedes.

The conferees agree to authorize funding for these activities in Title I of this Act.

Army procurement

The House bill contained a provision (sec. 1521) that would authorize $104.7 million for the Army for ammunition and other procurement.

The Senate amendment contained no similar provision, but the Senate amendment would authorize funding for these and other Army procurement activities in Title I.

The House recedes.

The conferees agree to authorize funding for these activities in Title I of this Act.

Authority for joint task forces to provide support to law enforcement agencies conducting counter-terrorism activities

The House bill contained a provision (sec. 1552) that would authorize a joint task force of the Department of Defense that provides support to law enforcement agencies conducting counterdrug activities to also provide, consistent with all applicable laws and regulations, support to law enforcement agencies conducting counterterrorism activities.

The Senate amendment contained no similar provision.

The House recedes.

Authorized military construction and land acquisition projects

The House bill contained a provision (sec. 1531) that would authorize $35.1 million for the construction of facilities in Qatar; Naval Station Guantanamo Bay, Cuba; Naval Station Rota, Spain; and Bolling Air Force Base, District of Columbia.

The Senate amendment contained no similar provision, but Division B of the Senate amendment contained funding for these

projects in the military construction accounts of the military departments.

The House recedes.

The conferees include funding for these projects in the military construction authorizations in Division B of this Act.

Defense-Wide Activities procurement

The House bill contained a provision (sec. 1524) that would authorize $620.4 million for Defense-wide procurement.

The Senate amendment contained no similar provision, but the Senate amendment would authorize funding for these and other Defense-wide procurement activities in Title I.

The House recedes.

The conferees agree to authorize funding for these activities in Title I of this Act.

Effective date

The House bill contained a provision (sec. 1547) that would establish effective dates for the wartime pay and allowance increases proposed in this Title.

The Senate amendment contained no similar provision.

The House recedes.

Increase in amount of death gratuity

The House bill contained a provision (sec. 1546) that would increase the death gratuity from $6,000 to $12,000.

The Senate amendment contained no similar provision.

The House recedes.

Increase in rate for career enlisted flyer incentive pay

The House bill contained a provision (sec. 1545) that would increase the rate for career enlisted flyer incentive pay by $50 per month for each category of recipient based on years of service completed.

The Senate amendment contained no similar provision.

The House recedes.

Increase in rate for diving duty special pay

The House bill contained a provision (sec. 1543) that would increase the rate for diving duty special pay for officers from $240 per month to $290 per month and for enlisted members from $340 per month to $390 per month.

The Senate amendment contained no similar provision.

The House recedes.

Increase in rate for family separation allowance

The House bill contained a provision (sec. 1541) that would increase the rate for family separation allowance from $100 per month to $125 per month.

The Senate amendment contained no similar provision.

The House recedes.

Increase in rate for imminent danger pay

The House bill contained a provision (sec. 1544) that would increase the rate for imminent danger pay from $150 to $250 per month.

The Senate amendment contained no similar provision.

The House recedes.

Increase in rates for various hazardous duty incentive pays

The House bill contained a provision (sec. 1542) that would increase the rates for various hazardous duty incentive pays by $50 per month.

The Senate amendment contained no similar provision.

The House recedes.

Military personnel

The House bill contained a provision (sec. 1529) that would authorize $503.1 million for military personnel for the conduct of operations in continuation of the war on terrorism.

The Senate amendment contained no similar provision.

The House recedes.

Navy and Marine Corps procurement

The House bill contained a provision (sec. 1522) that would authorize $884.8 million for specific Navy and Marine Corps procurement programs in support of the war against terrorism.

The Senate amendment contained no similar provision, but the Senate amendment would authorize funding for these and other procurement activities in Title I.

The House recedes.

The conferees agree to authorize funding for these activities in Title I of this Act.

Operation and Maintenance

The House bill contained a provision (sec. 1528) that would authorize $548.2 million for operation and maintenance for the Army, Navy, Marine Corps, and Air Force.

The Senate amendment contained no similar provision, but the Senate amendment would authorize funding for these and other Defense-wide operation and maintenance activities in Title III.

The House recedes.

The conferees agree to authorize funding for these activities in Title III of this Act.

Research, Development, Test and Evaluation, Defense-wide

The House bill contained a provision (sec. 1525) that would authorize $390.1 million for Research, Development, Test and Evaluation, Defense-wide for chemical and biological defense activities.

The Senate amendment contained no similar provision, but the Senate amendment would authorize funding for these and other research and development activities in Title II.

The House recedes.

The conferees agree to authorize funding for these activities in Title II of this Act.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Overview

The budget for fiscal year 2003 requested authorization of appropriations of $8,934.0 million for the military construction and family housing construction and operation accounts of the Department of Defense. An additional $594.4 million was requested for military construction projects in the Defense Emergency Response Fund (DERF). The Army later identified an additional $122.6 million in military construction projects in the DERF that had been originally categorized as operation and maintenance funding.

The House bill would authorize $9,988.6 million for military construction and family housing.

The Senate amendment would authorize $10,178.9 million for these accounts.

The conferees recommend authorization of appropriations of $10,423.6 million for the military construction and family housing accounts of the Department of Defense for fiscal year 2003. The summary table that follows also reflects prior year savings of $33.7 million to be derived from anticipated rescissions. Including the budget authority impact of $53.0 million for a previously authorized project and the anticipated rescissions of prior year funding, the conference agreement is consistent with a budget authority level of $10,442.9 million for military construction and family housing.

Projects that have been transferred into these accounts from the DERF are displayed as changes to the original military construction request in the tables that follow. Excluding these transfers, the conferees agree to a net increase of $772.6 million in military construction and family housing funding.

The House bill, the Senate amendment, and the conference agreement reduced the military construction and family housing accounts by $39.9 million to reflect the proper accounting for the accrual of civilian personnel benefits under current law, and by $44.6 million to reflect foreign currency fluctuations. In addition, the conferees agree to reductions of $54.5 million in the military construction accounts to be achieved through a 0.9 percent reduction in the rates charged for supervision, inspection, and overhead on construction projects, and $57.0 million to reflect lower inflation rates. These reductions shall not cancel any military construction project authorized by this Act.

The following tables list the amounts authorized to be appropriated for the military construction and family housing accounts and for each military construction and family housing project.

NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003
(Dollars in Thousands)

	Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Military Construction					
Military Construction, Army	1,476,521	1,530,033	1,612,912	163,526	1,640,047
Military Construction, Navy	895,131	1,268,565	1,235,338	402,167	1,297,298
Military Construction, Air Force	644,090	933,221	1,065,610	400,187	1,044,277
Military Construction, Defense-Wide	687,535	779,896	721,959	118,820	806,355
Military Construction, Army National Guard	101,595	170,793	195,588	134,641	236,236
Military Construction, Air National Guard	53,473	119,266	222,459	150,742	204,215
Military Construction, Army Reserve	58,779	86,789	62,992	40,620	99,399
Military Construction, Naval Reserve	51,554	66,971	58,671	24,247	75,801
Military Construction, Air Force Reserve	31,900	68,576	59,883	53,749	85,649
Base Realignment & Closure, Defense	545,138	545,138	545,138	16,000	561,138
NATO Security Investment Program	168,200	168,200	168,200	-1,000	167,200
Total Military Construction	**4,713,916**	**5,737,448**	**5,948,750**	**1,503,699**	**6,217,615**
Family Housing					
Family Housing Construction, Army	283,346	278,426	283,346	-2,990	280,356
Family Housing Operations & Debt, Army	1,122,274	1,122,274	1,114,087	-21,187	1,101,087
Family Housing Construction, Navy & Marine Corps	375,700	377,616	375,700	768	376,468
Family Housing Operations & Debt, Navy & Marine Corps	867,788	867,788	865,136	-8,652	859,136
Family Housing Construction, Air Force	676,694	681,042	676,694	8,130	684,824
Family Housing Operations & Debt, Air Force	844,419	874,050	865,268	9,849	854,268
Family Housing Construction, Defense-Wide	5,480	5,480	5,480	0	5,480
Family Housing Operations & Debt, Defense-Wide	42,432	42,432	42,395	-37	42,395
DoD Family Housing Improvement Fund	2,000	2,000	2,000	0	2,000
Total Family Housing	**4,220,133**	**4,251,108**	**4,230,106**	**-14,119**	**4,206,014**
Total FY2003 Authorization of Appropriations	8,934,049	9,988,556	10,178,856	1,489,580	10,423,629
Prior Year Savings				-33,700	-33,700
Net Military Construction/Family Housing Funding				1,455,880	10,389,929

Military Construction Authorizations for FY2003
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY2003 Authorization Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
Alabama	Army	Anniston Army Depot	Ammunition Containerization Doors	1,900	1,900	1,900		1,900
Alabama	Army (DERF)	Ft. Rucker	Cantonment Fencing	-	-	-	9,258	9,258
Alabama	Army	Ft. Rucker	Physical Fitness Center	-	-	3,500	3,500	3,500
Alabama	Army	Ft. Rucker	UH-60 Parking Apron	-	3,050	3,050	3,050	3,050
Alabama	Army	Redstone Arsenal	Cafeteria Addition	-	1,950	-	1,950	1,950
Alabama	Air Force	Maxwell AFB	Gunter Fitness Center	-	8,000	-		-
Alabama	Army National Guard	Gadsen	Add/Alter Readiness Center (ADRS)	1,781	2,261	1,781	480	2,261
Alaska	Army (DERF)	Fort Greely	Fencing	-	-	-	2,700	2,700
Alaska	Army	Fort Richardson	Barracks Complex - D Street, Phase II	21,000	21,000	21,000		21,000
Alaska	Army	Fort Richardson	Community Center	-	-	15,000	15,000	15,000
Alaska	Army (DERF)	Fort Richardson	Perimeter Fencing	-	-	-	5,011	5,011
Alaska	Army	Fort Wainwright	Automated Sniper Field Fire Range	1,600	1,600	1,600		1,600
Alaska	Army	Fort Wainwright	Battalion Headquarters	18,000	18,000	18,000		18,000
Alaska	Army (DERF)	Fort Wainwright	Fencing Installation Boundary	-	-	-	6,896	6,896
Alaska	Army	Fort Wainwright	Infantry Platoon Battle Course	24,000	24,000	24,000		24,000
Alaska	Army	Fort Wainwright	Mission Support Training Facility	50,000	50,000	50,000		50,000
Alaska	Army (DERF)	Fort Wainwright	Mylar Window Glazing	-	910	910	910	910
Alaska	Army	Fort Wainwright	Vehicle Maintenance Facility	16,500	16,500	16,500		16,500
Alaska	Army	Fort Wainwright	Vehicle Maintenance Shop Phase II	-	-	-	22,000	22,000
Alaska	Air Force	Clear AFS	Upgrade Power Plant	14,400	14,400	14,400		14,400
Alaska	Air Force	Eielson AFB	Blair Lakes Range Maintenance Complex	-	-	19,500	19,500	19,500
Alaska	Air Force	Eielson AFB	Central Heat Plant Bag Houses	21,600	21,600	21,600		21,600
Alaska	TRICARE	Elmendorf AFB	Hospital Construction Claim Payment	10,400	10,400	10,400		10,400
Alaska	TRICARE	Fort Wainwright	Hospital Replacement, Phase IV	-	-	-		-
Arizona	Army	Fort Huachuca	UAV Facilities	-	10,400	-	10,400	10,400
Arizona	Army	Yuma PG	Aircraft Armament Test/Maintenance Facilities	-	4,500	-	4,500	4,500
Arizona	Navy	MCAS Yuma	Combat Aircraft Loading Apron, Phase II	3,000	3,000	3,000		3,000
Arizona	Air Force	Davis-Monthan AFB	Dormitory (120 Rm)	9,110	9,110	9,110		9,110
Arizona	Air Force	Davis-Monthan AFB	HH-60 Apron/Taxiway D Shoulder	3,720	3,720	3,720		3,720
Arizona	Air Force	Davis-Monthan AFB	HH-60 Maintenance Hanger	6,440	6,440	6,440		6,440
Arizona	Air Force	Luke AFB	Land Acquisition	-	13,000	-	13,000	13,000
Arkansas	Army	Pine Bluff Arsenal	Non-Stockpile Ammunition Demolition Shop	18,937	18,937	18,937	(18,937)	-
Arkansas	Air Force	Little Rock AFB	Add/Alter C-130J Aircrew Fuselage Trainer	2,500	2,500	2,500		2,500
Arkansas	Air Force	Little Rock AFB	C-130J Engine/Propeller Storage Facility	2,100	2,100	2,100		2,100
Arkansas	Air Force	Little Rock AFB	C-130J Maintenance Hanger	12,900	12,900	12,900		12,900
Arkansas	Air Force	Little Rock AFB	C-130J Maintenance Training Facility	8,100	8,100	8,100		8,100
Arkansas	ChemDemil	Pine Bluff Arsenal	Non-Stockpile Ammunition Demolition Shop	-	-	-	18,937	18,937

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Arkansas	Air National Guard	Little Rock AFB	Operations and Training Facility	-	5,100	5,100	5,100	5,100
Arkansas	Air National Guard	Ft. Smith MAP	Operations and Training Facility	-	-	7,900	6,000	6,000
California	Army (DERF)	Fort Irwin	Fencing	-	-	-	2,522	2,522
California	Army	Monterey DLI	Water Diversion	-	1,500	-		-
California	Navy	MCAS Camp Pendleton	Aviation Armament Shop	6,610	6,610	6,610		6,610
California	Navy	MCAS Camp Pendleton	Fire Protection Pipeline	5,320	5,320	5,320		5,320
California	Navy	Camp Pendleton	AAAV Training Complex	28,810	28,810	28,810		28,810
California	Navy	Camp Pendleton	Bachelor Enlisted Quarters	23,230	23,230	23,230		23,230
California	Navy	Camp Pendleton	Child Development Center	-	-	8,230		-
California	Navy (DERF)	Camp Pendleton	Force Intelligence Operations Center	-	20,000	20,000	20,000	20,000
California	Navy	Camp Pendleton	Water Treatment, Reservoir & Distribution	12,000	12,000	12,000		12,000
California	Navy	China Lake NAWCWPNSDIV	Propulsion Fuel Lab Replacement	-	10,100	-	10,100	10,100
California	Navy	NAS Lemoore	Air Passenger Terminal	8,070	8,070	8,070		8,070
California	Navy	NAS Lemoore	Aircraft Parking Apron	8,450	8,450	8,450		8,450
California	Navy (DERF)	NAS Lemoore	Security Upgrades	-	19,335	19,335	19,335	19,335
California	Navy	MCAS Miramar	Construction Equipment Shop	5,540	5,540	5,540		5,540
California	Navy	MCAS Miramar	High Explosive Magazine	3,160	3,160	3,160		3,160
California	Navy	MCAS Miramar	Refueling Vehicle Shop	-	3,510	-	3,510	3,510
California	Navy	MCLB Barstow	Combat Vehicle Welding	-	4,450	-	4,450	4,450
California	Navy	NAWC Point Mugu	Extend Aircraft Parking Apron	6,760	6,760	6,760		6,760
California	Navy	NPGS Monterey	Educational Facility Replacement Phase I	-	7,000	-	7,000	7,000
California	Navy (DERF)	NPGS Monterey	Replace Perimeter Security Fence	-	2,020	2,020	2,020	2,020
California	Navy (DERF)	NS San Diego	Perimeter Security Lighting	-	1,580	1,580	1,580	1,580
California	Navy	NS San Diego	Pier 2 Electrical Upgrade	3,530	3,530	3,530		3,530
California	Navy	NS San Diego	Replace Pier (San Clemente Island)	6,150	6,150	6,150		6,150
California	Navy (DERF)	NS San Diego	Security Lights, Piers and Quaywalls	-	7,100	7,100	7,100	7,100
California	Navy	MAGTFC Twentynine Palms	Aircraft Surveillance Radar	-	15,100	-	13,700	13,700
California	Navy	MAGTFC Twentynine Palms	Bachelor Enlisted Quarters	25,770	25,770	25,770		25,770
California	Navy	Port Hueneme NCTC	Seabee Training Facility	-	-	6,957	10,170	10,170
California	Air Force	Beale AFB	Global Hawk Dining Facility	3,470	3,470	3,470		3,470
California	Air Force	Beale AFB	Global Hawk Squadron Ops/Maint Facility	3,670	3,670	3,670		3,670
California	Air Force	Beale AFB	Global Hawk Upgrade Maintenance Dock	4,600	4,600	4,600		4,600
California	Air Force	Travis AFB	Aircraft Parts Store	-	-	8,000	8,000	8,000
California	Air Force	Travis AFB	Electrical System Replacement & Supporting Infrastruct	-	-	11,300	11,269	11,269
California	Air Force	Travis AFB	Operations AMU	-	9,600	-	9,600	9,600
California	Air Force	Travis AFB	Simulator Facility	-	-	4,600	4,600	4,600
California	Air Force	Vandenberg AFB	Install Stormwater Drainage	3,100	3,100	3,100		3,100

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California	Air Force	Vandenberg AFB	Upgrade Water Distribution System, Phase II	7,400	7,400	7,400		7,400
California	DLA	Travis AFB	Replace Bulk Fuel Storage Tanks	16,000	16,000	16,000		16,000
California	Army National Guard	Moreno Valley	Readiness Center (ADRS)	12,044	12,044	12,044		12,044
California	Army National Guard	San Diego	OMS (ADRS)	6,774	6,774	6,774		6,774
California	Air National Guard	Sepulveda ANGS	Communications and Electronics Training Facility	-	-	7,000	7,000	7,000
California	Army Reserve	Vallejo	OMS/Marine/AMSA	6,501	6,501	6,501		6,501
California	Air Force Reserve	March ARB	Add/Alter C-17 Simulator Facility	-	-	-	1,900	1,900
California	Air Force Reserve	March ARB	Add/Alter Squadron Operations	-	-	1,700	1,700	1,700
California	Air Force Reserve	March ARB	Alter General Maintenance Shops	-	-	2,000	2,000	2,000
California	Air Force Reserve	March ARB	Alter Life Support	-	-	3,000	3,000	3,000
California	Air Force Reserve	March ARB	C-17 Multifunctional Hangar	-	-	-	15,100	15,100
California	Air Force Reserve	March ARB	Runway Surface	-	2,550	-	2,550	2,550
California	Air Force Reserve	March ARB	Taxiway Surface	-	4,350	-		-
Colorado	Army	Fort Carson	Barracks Complex - Nelson Blvd, Phase II	42,000	42,000	42,000		42,000
Colorado	Army (DERF)	Fort Carson	Fencing	-	-	-	4,348	4,348
Colorado	Army	Fort Carson	Fire Station	-	4,250	-	4,250	4,250
Colorado	Army	Fort Carson	Truck Loading/Unloading Docks	1,100	1,100	1,100		1,100
Colorado	Army	Pueblo Depot	Ammunition Demilitarization Facility, Phase IV	38,000	-	38,000	(38,000)	-
Colorado	Air Force (DERF)	USAF Academy	Perimeter Fence, Cadet Area, Phase I	-	4,200	4,200	4,200	4,200
Colorado	Air Force	USAF Academy	Upgrade Academic Facility	-	5,200	-		-
Colorado	Air Force	Buckley AFB	Add/Alter SBIRS Mission Control Station	6,900	6,900	6,900		6,900
Colorado	Air Force	Buckley AFB	Wing Headquarters/Administrative Facility	10,800	10,800	10,800		10,800
Colorado	Air Force (DERF)	Peterson AFB	NORAD Battle Management Center	-	3,500	3,500	3,500	3,500
Colorado	Air Force (DERF)	Peterson AFB	NORAD Battle Management Center	-	(3,500)	-		-
Colorado	Air Force (DERF)	Peterson AFB	AT/FP Site Improvements	-	2,000	2,000	2,000	2,000
Colorado	Air Force (DERF)	Schriever AFB	Visitors Center/Entry Control Gates	-	5,700	5,700	5,700	5,700
Colorado	JCS (DERF)	Peterson AFB	Facility Refurbishment CINC Northern Command	-	18,400	-	25,000	25,000
Colorado	ChemDemil	Pueblo AD	Ammunition Demilitarization Facility Phase iv	-	38,000	-	38,000	38,000
Colorado	Air National Guard	Buckley AFB	Control Tower	-	-	5,900	5,900	5,900
Colorado	Air Force Reserve	Schriever AFB	Consolidates Space Group Ops	-	6,900	-	6,900	6,900
Connecticut	Navy (DERF)	NSB New London	Gate 1 Security Improvements	-	4,080	4,080	4,080	4,080
Connecticut	Navy (DERF)	NSB New London	Gate 7 Truck Access Security	-	3,800	3,800	3,800	3,800
Delaware	Air Force	Dover AFB	Air Traffic Control Facility	-	-	7,500		-
Delaware	Air National Guard	New Castle County AP	Parking Apron/Taxiway	-	-	10,800	10,800	10,800
District of Columbia	Army (DERF)	Walter Reed AMC	Electric Switch Station	-	7,400	7,400	7,400	7,400
District of Columbia	Army	Walter Reed AMC	Parking Garage	-	-	8,000		-

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District of Columbia	Army (DERF)	Walter Reed AMC	Physical Security, Forest Glen	-	2,550	2,550	2,550	2,550
District of Columbia	Army (DERF)	Walter Reed AMC	Physical Security, Main Section	-	-	-	3,844	3,844
District of Columbia	Navy	MCB Washington, D.C.	Site Improvements	3,700	3,700	3,700		3,700
District of Columbia	Navy (DERF)	ND Washington	O Street Visitor Processing Center	-	2,690	2,690	2,690	2,690
District of Columbia	Air Force (DERF)	Bolling AFB	Perimeter Wall, North Gate	-	1,500	1,500	1,500	1,500
District of Columbia	Air Force (DERF)	Bolling AFB	Security Forces Operations Facility	-	3,500	3,500	3,500	3,500
District of Columbia	DIA	Bolling AFB	Analysis Center	121,958	121,958	121,958	(10,000)	111,958
District of Columbia	Defense (WHS)	District Of Columbia	Parking Garage	2,500	-	2,500		2,500
Florida	Navy	Eglin AFB	Advanced Explosive Ordnance Disposal Train Fac	6,350	6,350	6,350		6,350
Florida	Navy	NAS Jacksonville	Aviation Support Equipment Maint Training Facility	-	6,572	-	6,572	6,572
Florida	Navy (DERF)	NAS Jacksonville	Birmingham Gate Security Improvements	-	1,890	1,890	1,890	1,890
Florida	Navy (DERF)	NAS Jacksonville	Commercial Gate Security Improvements	-	2,680	2,680	2,680	2,680
Florida	Navy (DERF)	NAS Jacksonville	Yorktown Gate Security Improvements	-	2,200	2,200	2,200	2,200
Florida	Navy (DERF)	NS Mayport	Perimeter Security Upgrades	-	1,900	1,900	1,900	1,900
Florida	Navy	NAS Pensacola	Runway Approach Lights	990	990	990		990
Florida	Navy	Panama City	Naval Special Warfare Facility	-	-	10,700	10,700	10,700
Florida	Navy	Whiting Field NAS	Aviation Maintenance Officer School	-	1,780	-		-
Florida	Air Force	Avon Park Range	Defense Access Road, Arbuckle Creek Bridge	-	-	-	2,000	2,000
Florida	Air Force (DERF)	Eglin AFB	Barriers and Intrusion Detection System	-	1,050	1,050	1,050	1,050
Florida	Air Force (DERF)	Eglin AFB	Security Fencing	-	3,200	3,200	3,200	3,200
Florida	Air Force	Hurlburt Field	Dormitory (144 Rm)	9,000	9,000	9,000		9,000
Florida	Air Force	Tyndall AFB	Fitness Center	-	8,100	-		-
Florida	Air Force (DERF)	Hurlburt Field	Force Protection, HQ AFSOC, Phase I	-	3,500	3,500	3,500	3,500
Florida	Air Force (DERF)	Hurlburt Field	Force Protection, HQ 16 SOW, Phase II	-	2,500	2,500	2,500	2,500
Florida	Air Force (DERF)	MacDill AFB	AT/FP Gates	-	7,000	7,000	7,000	7,000
Florida	Air Force	MacDill AFB	Air Traffic Control Tower / Fire Rescue	-	14,000	-	13,000	13,000
Florida	SOCOM	Hurlburt Field	Add/Alter Command & Operations Facility	9,000	9,000	9,000		9,000
Florida	SOCOM	Hurlburt Field	Alter Facilities for CV-22	2,100	2,100	2,100		2,100
Florida	Army National Guard	Camp Blanding	Combined Support Maintenance Shop Phase I	-	6,000	-	5,000	5,000
Florida	Air Force Reserve	Homestead ARS	Services Complex	-	2,500	-	2,500	2,500
Florida	Air Force Reserve (DERF)	Homestead ARS	Perimeter Fence	-	1,100	1,100	1,100	1,100
Georgia	Army (DERF)	Fort Benning	Access Control Points	-	8,000	8,000	8,000	8,000
Georgia	Army	Fort Benning	Barracks Complex - Main Post, Phase I	45,000	45,000	45,000		45,000
Georgia	Army (DERF)	Fort Benning	Cantonment Fencing	-	-	-	5,500	5,500
Georgia	Army	Fort Benning	Chapel	-	-	-	6,500	6,500
Georgia	Army	Fort Benning	Urban Assault Course	3,250	3,250	3,250		3,250
Georgia	Army	Fort Stewart	Saber Hall Complex	26,000	26,000	26,000		26,000

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Georgia	Navy (DERF)	NSB Kings Bay	Stimson Gate Security Improvements	-	1,580	1,580	1,580	1,580
Georgia	Air Force (DERF)	Warner-Robins AFB	Base Entrance/Visitors Facility	-	5,400	5,400	5,400	5,400
Georgia	Air Force	Warner-Robins AFB	Corrosion Control Depaint Facility	-	-	24,000	24,000	24,000
Georgia	Air National Guard (DERF)	Savannah IAP	Relocate Base Entrance	-	1,450	1,450	1,450	1,450
Georgia	Naval Reserve	NAS Atlanta	Bachelor Enlisted Quarters	6,730	6,730	6,730		6,730
Georgia	Naval Reserve	NRC Savannah	Marine Corps Reserve Center	5,900	5,900	5,900		5,900
Georgia	Air Force Reserve (DERF)	Dobbins ARB	Visitor Center	-	2,000	2,000	2,000	2,000
Hawaii	Army	Schofield Barracks	Barracks Complex - Capron Ave, Phase I	49,000	49,000	49,000		49,000
Hawaii	Army	Schofield Barracks	Barracks Complex - Quad C	42,000	42,000	42,000		42,000
Hawaii	Army	Pohakuloa Training Area	Saddle Road Access, Phase II	-	-	13,000	13,000	13,000
Hawaii	Navy	MCB Hawaii	Religious Ministry Facility	-	-	9,500	9,500	9,500
Hawaii	Navy	NS Pearl Harbor	Electrical System Upgrade Ford Island	-	-	19,400	19,400	19,400
Hawaii	Navy	NS Pearl Harbor	Recapitalize Bravo Wharfs	10,490	10,490	10,490		10,490
Hawaii	Navy (DERF)	NS Pearl Harbor	Security Lighting	-	4,200	4,200	4,200	4,200
Hawaii	Navy	Pearl Harbor NSY	Waterfront/Mech Shop (Bravo Pier)	-	18,500	-	18,500	18,500
Hawaii	Air Force (DERF)	Hickam AFB	Flightline Security Fencing and Gates, Phase I	-	1,350	1,350	1,350	1,350
Hawaii	Msl Defense Agency	Kauai	THAAD Test Facility	23,400	23,400	23,400		23,400
Hawaii	TRICARE	Hickam AFB	Life Skills Clinic Replacement	2,700	2,700	2,700		2,700
Hawaii	Army National Guard	NAS Barbers Point	Military Complex, Phase I	22,473	22,473	22,473		22,473
Idaho	Army National Guard	Gowen Field	Readiness Center	-	-	-	1,500	1,500
Idaho	Air National Guard	Gowen Field	Air Support Squadron Beddown	-	-	6,800	6,700	6,700
Illinois	Navy (DERF)	NTC Great Lakes	Commercial Truck Inspection Station	-	1,620	1,620	1,620	1,620
Illinois	Navy (DERF)	NTC Great Lakes	Intrusion Resistant Gates	-	6,470	6,470	6,470	6,470
Illinois	Navy	NTC Great Lakes	Recruit Barracks	43,360	43,360	43,360	(5,000)	38,360
Illinois	Navy	NTC Great Lakes	Recruit Barracks	41,740	41,740	41,740	(5,000)	36,740
Illinois	Air National Guard	Capital MAP	Composite Support Facility	-	8,800	10,000	10,000	10,000
Indiana	Army	Newport AAP	Ammunition Demilitarization Facility, Phase V	61,494	-	61,494	(61,494)	-
Indiana	Navy	Crane NAVSURFWARCENDIV	Electrochemistry Engineering Facility	-	11,610	-	11,610	11,610
Indiana	ChemDemil	Newport AAP	Ammunition Demilitarization Facility Phase V	-	61,494	-	61,494	61,494
Indiana	Army National Guard	Camp Atterbury	Battle Simulation Center	-	8,327	-	8,327	8,327
Indiana	Air Force Reserve	Grissom ARB	Add/Alter Aircraft Maintenance Hangar	-	-	6,000		-
Iowa	Army National Guard	Boone	Readiness Center	-	4,252	-	4,252	4,252
Iowa	Air National Guard	Sioux Gateway Airport	KC-135 Upgrade Aircraft Maint Hangar & Shops	6,900	6,900	6,900		6,900
Iowa	Air National Guard	Sioux Gateway Airport	KC-135 Upgrade Shops & Operations Facility	4,800	4,800	4,800		4,800
Iowa	Air National Guard	Des Moines	Upgrade Airfield Facilities Phase I	-	-	9,200	6,000	6,000
Kansas	Army (DERF)	Fort Leavenworth	Access Control Points	-	3,150	3,150	3,150	3,150
Kansas	Army (DERF)	Fort Leavenworth	Cantonment Fencing	-	-	-	4,829	4,829

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Kansas	Army (DERF)	Fort Riley	Access Control Gates	-	6,000	6,000	6,000	6,000
Kansas	Army	Fort Riley	Barracks Complex - Infantry Drive East	41,000	41,000	41,000		41,000
Kansas	Army (DERF)	Fort Riley	Cantonment Fencing	-	-	-	7,095	7,095
Kansas	Army	Fort Riley	Combined Arms Collective Training Facility, Phase I	-	-	13,800	13,800	13,800
Kansas	Army	Fort Riley	Deployment Facility, Ramp Extension	-	4,950	-		-
Kansas	Air Force	McConnell AFB	Corrosion Control Paint Facility	-	7,500	-	7,500	7,500
Kansas	Army National Guard	Fort Riley	OMS Add/Alter (ADRS)	770	770	770		770
Kansas	Army National Guard	Kansas City	OMS Add/Alter (ADRS)	771	771	771		771
Kansas	Army National Guard	Topeka	Armed Forces Reserve Center	14,607	14,607	14,607		14,607
Kentucky	Army	Blue Grass Army Depot	Ammunition Demilitarization Facility, Phase III	10,300	-	10,300	(10,300)	-
Kentucky	Army	Blue Grass Army Depot	Ammunition Demilitarization Support, Phase III	8,300	-	8,300	(8,300)	-
Kentucky	Army	Blue Grass Army Depot	Railyard Infrastructure	5,500	5,500	5,500		5,500
Kentucky	Army	Fort Campbell	Barracks Complex - Range Road, Phase I	49,000	49,000	49,000		49,000
Kentucky	Army	Fort Campbell	Purchase Easement Runway Approach & Departure	-	7,300	-	7,300	7,300
Kentucky	Army (DERF)	Ft. Knox	Access Control	-	-	-	2,529	2,529
Kentucky	Army (DERF)	Ft. Knox	Cantonment Fencing	-	-	-	3,344	3,344
Kentucky	Army	Ft. Knox	Child Development Center	-	-	6,800		-
Kentucky	ChemDemil	Blue Grass Army Depot	Ammunition Demilitarization Facility, Phase III	-	10,300	-	10,300	10,300
Kentucky	ChemDemil	Blue Grass Army Depot	Ammunition Demilitarization Support, Phase III	-	8,300	-	8,300	8,300
Louisiana	Army	Fort Polk	Digital Multi-Purpose Training Range	31,000	31,000	31,000		31,000
Louisiana	Army (DERF)	Fort Polk	Fencing	-	-	-	6,620	6,620
Louisiana	Air Force	Barksdale AFB	Dormitory (168 Room)	10,900	10,900	10,900		10,900
Louisiana	Air Force	Barksdale AFB	Replace Parking Ramp	-	-	12,000	12,000	12,000
Louisiana	DLA	NASJRB New Orleans	Replace Bulk Fuel Storage Tanks	9,500	9,500	9,500		9,500
Louisiana	Air National Guard	NASJRB New Orleans	Replace Vehicle Maint/Aircraft Spt Equip Complex	-	-	5,500		-
Louisiana	Naval Reserve	NASJRB New Orleans	AFRC (Phase III)	-	7,400	-	7,400	7,400
Louisiana	Naval Reserve	NASJRB New Orleans	Engine Maintenance Shop Addition	1,500	1,500	1,500		1,500
Louisiana	Naval Reserve	NASJRB New Orleans	Hazardous Material Storage	2,690	2,690	2,690		2,690
Louisiana	Naval Reserve (DERF)	NASJRB New Orleans	Perimeter Road and Fencing	-	1,510	1,510	1,510	1,510
Louisiana	Naval Reserve	NASJRB New Orleans	Runway and Taxiway Extension	14,600	14,600	14,600		14,600
Maine	Navy	NAS Brunswick	Air Traffic Control Tower	-	-	9,830	9,830	9,830
Maine	Navy	NSY Kittery-Portsmouth	AT/FP Improvements	11,600	11,600	11,600		11,600
Maine	Navy (DERF)	NSY Kittery-Portsmouth	Gate 1 Security Improvements	-	3,600	3,600	3,600	3,600
Maryland	Army	Aberdeen Proving Ground	Ammunition Demilitarization Facility, Phase V	30,600	-	30,600	(30,600)	-
Maryland	Army	Fort Detrick	Barracks Complex - Porter Street South	16,000	16,000	16,000		16,000
Maryland	Army	Fort Detrick	Community Support Center	3,700	3,700	3,700		3,700
Maryland	Army	Fort Detrick	Renovate & Expand Fire Station	-	2,800	-	2,800	2,800

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Maryland	Navy	NAF Andrews	BEQ Replacement	9,680	9,680	9,680		9,680
Maryland	Navy	NSWC Carderock Division	National Maritime Tech Information Center	-	-	12,900	12,900	12,900
Maryland	Navy	U.S. Naval Academy	Ethical Center Classroom	-	1,800	-	1,800	1,800
Maryland	Air Force (DERF)	Andrews AFB	AT/FP Improvements Harbor Gate	-	5,500	5,500	5,500	5,500
Maryland	Air Force (DERF)	Andrews AFB	AT/FP Vehicle Gates	-	4,100	4,100	4,100	4,100
Maryland	ChemDemil	Aberdeen Proving Ground	Ammunition Demilitarization Facility, Phase V	-	30,600	-	20,600	20,600
Maryland	NSA	Fort Meade	Operations Building 1 Stair Tower	2,588	2,588	2,588		2,588
Maryland	NSA	Fort Meade	Perimeter Security	1,896	1,896	1,896		1,896
Maryland	Army National Guard	St. Mary's County	Readiness Center	-	6,740	-	6,740	6,740
Massachusetts	Army	Natick	Food Engineer Lab	-	4,100	-	4,100	4,100
Massachusetts	Air Force	Hanscom AFB	Add/Alter Fitness Center	7,700	7,700	7,700		7,700
Massachusetts	Air Force	Fourth Cliff, Scituate	Erosion Control and Retaining Wall	-	-	9,500		-
Massachusetts	Air Force Reserve	Westover ARB	Security Forces Complex	-	3,850	-	3,850	3,850
Michigan	Army National Guard	Lansing	Multi-Unit Readiness Center	-	-	16,928	16,928	16,928
Michigan	Army National Guard	Shiawasse County	Readiness Center	-	4,700	-		-
Michigan	Air National Guard	Selfridge ANGB	Joint Dining Facility	-	-	8,500	8,500	8,500
Michigan	Air National Guard	Battle Creek	Vehicle Maintenance Shop	-	3,800	-	3,800	3,800
Michigan	Air National Guard (DERF)	Selfridge ANGB	Add Security Fence	-	1,000	1,000	1,000	1,000
Minnesota	Air National Guard	Duluth	Composite Maint Facility Modernization, Phase II	-	-	15,000	6,100	6,100
Minnesota	Naval Reserve (DERF)	NRC Duluth	Harden NRC Building	-	1,450	1,450	1,450	1,450
Minnesota	Air Force Reserve	Minn-St Paul ARS	Lodging Facility Phase IV	-	6,300	-	6,300	6,300
Mississippi	Navy	NCBC Gulfport	Communications/Instruction Facility	5,460	5,460	5,460		5,460
Mississippi	Navy	NS Pascagoula	BEQ Shipboard Ashore, Phase I	-	12,000	12,800	10,500	10,500
Mississippi	Navy	NS Pascagoula	Construct New Navy Channel	4,160	4,160	4,160		4,160
Mississippi	Navy	NAS Meridian	Control Tower (Joe Williams Field)	-	2,850	-		-
Mississippi	Navy	NAS Meridian	Replace Control and Beacon Tower	-	-	2,850	2,850	2,850
Mississippi	Air Force	Keesler AFB	Student Dormitory (200 Room)	22,000	22,000	22,000		22,000
Mississippi	SOCOM	Stennis Space Center	SOF Training Range	-	-	5,000	5,000	5,000
Mississippi	Army National Guard	Kosciusko	Readiness Center	-	-	3,580	2,300	2,300
Mississippi	Air National Guard	Jackson IAP	C-17 Construct Maintenance Training Facility	4,100	4,100	4,100		4,100
Mississippi	Air National Guard	Jackson IAP	C-17 Replace Fuel Cell Hangar/Shops	25,000	25,000	25,000		25,000
Missouri	Army (DERF)	Fort Leonard Wood	Access Control Points	-	-	-	9,493	9,493
Missouri	Army	Fort Leonard Wood	Tactical Vehicle Simulator Building	15,500	15,500	15,500		15,500
Missouri	Army National Guard	Ft. Leonard Wood	Army Aviation Support Facility	-	-	14,767	14,767	14,767
Missouri	Air National Guard	Lambart-St. Louis IAP	Upgrade Facilities	-	-	5,000		-
Montana	Air National Guard	Great Falls IAP	Munitions Load Crew Training Facility	-	-	3,500	3,500	3,500
Montana	Naval Reserve	NRC Billings	Reserve Center/Land Acquisition	5,905	5,905	5,905		5,905

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Nebraska	Air Force	Offutt AFB	Fire/Crash Rescue Station	-	-	11,000	11,000	11,000
Nebraska	Army National Guard	Lincoln	Readiness Center Add/Alter (ADRS)	757	757	757		757
Nebraska	Army National Guard	Norfolk	Organizational Maintenance Shop (ADRS)	3,666	3,666	3,666		3,666
Nebraska	Army Reserve	Lincoln	AR Center/OMS/Unheated Storage	8,732	8,732	8,732		8,732
Nevada	Navy	NAS Fallon	Weapons Magazine Storage Facility	-	4,010	-		-
Nevada	Air Force	Nellis AFB	Dormitory (144 Room)	12,280	12,280	12,280		12,280
Nevada	Air Force (DERF)	Nellis AFB	Explosive Ordnance Disposal Facility	-	6,900	6,900	6,900	6,900
Nevada	Air Force	Nellis AFB	F-22 Munitions Maintenance Facility	3,170	3,170	3,170		3,170
Nevada	Air Force	Nellis AFB	Land Acquisition	15,000	15,000	15,000		15,000
Nevada	Air Force	Nellis AFB	Land Acquisition	-	-	19,500	19,500	19,500
New Hampshire	Air National Guard	Pease ANGB	Fire Station	-	-	4,450		-
New Jersey	Army	Picatinny Arsenal	High Energy Propellant Formulation Facility Phase II	-	7,500	-	7,500	7,500
New Jersey	Navy	Lakehurst NAWCACFTDIV	Fire Rescue Station	-	5,200	5,200	5,200	5,200
New Jersey	Navy (DERF)	NWS Earle	Water Front Main Gate Security Improvements	-	5,600	5,600	5,600	5,600
New Jersey	Air Force	McGuire AFB	C-17 Add/Alter 3-Bay Hangar	-	-	-	5,200	5,200
New Jersey	Air Force	McGuire AFB	C-17 Flightline Operations Facilities	24,631	24,631	24,631		24,631
New Jersey	Army Reserve	Fort Dix	Vehicle/Pallet Facility	-	4,012	-	4,012	4,012
New Jersey	Army Reserve	Fort Dix	Ramp Modifications	-	10,000	-	10,000	10,000
New Mexico	Army	White Sands Msl Rg	Launcher Complex Revitalization, Phase IIA	-	-	-		
New Mexico	Air Force	Kirtland AFB	Visiting Airmen/Officers Quarters	-	8,400	8,400	8,400	8,400
New Mexico	Air Force	Holloman AFB	Survival Equipment Shop	-	4,650	4,650	4,650	4,650
New Mexico	Air Force (DERF)	Cannon AFB	Replace Security Forces Operations Facility	-	4,650	4,650	4,650	4,650
New Mexico	Air Force (DERF)	Kirtland AFB	Relocate Truman gate	-	2,500	2,500	2,500	2,500
New Mexico	Air Force (DERF)	Kirtland AFB	Upgrade Munitions Maint Storage Complex Security	-	11,000	11,000	11,000	11,000
New York	Army	Fort Drum	One plus One DIVARTY Barracks	-	8,000	-	8,000	8,000
New York	Army	Fort Drum	Parallel Taxiway	-	8,800	-	8,800	8,800
New York	Army	Fort Drum	Shoot House	1,500	1,500	1,500		1,500
New York	Army (DERF)	West Point	Fencing West Point Proper	-	-	-	4,991	4,991
New York	DODEA	West Point	West Point ES Classroom Addition	3,898	3,898	3,898		3,898
New York	DODEA (DERF)	West Point	West Point ES Classroom Addition	-	449	449	449	449
New York	Air National Guard	Hancock Field	Upgrade Force Protection and Infrastructure	-	8,600	-	8,600	8,600
New York	Air National Guard	Syracuse	Mobility Processing Facility	-	2,300	-		-
New York	Army Reserve	Oswego	Reserve Center/OMS/Unheated Storage	5,492	5,492	5,492		5,492
New York	Naval Reserve	I & I Staff Syracuse	Vehicle Maintenance Facility	2,030	2,030	2,030		2,030
New York	Air Force Reserve	Niagara Falls ARS	Visiting Airmen Quarters, Phase I	-	-	9,000		-
North Carolina	Army	Fort Bragg	Barracks Complex - Armistead Street	50,000	50,000	50,000		50,000
North Carolina	Army	Fort Bragg	Barracks Complex - Butner Road, Phase III	50,000	50,000	50,000		50,000

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North Carolina	Army	Fort Bragg	Consolidated Fuel Facility	17,500	17,500	17,500		17,500
North Carolina	Army (DERF)	Fort Bragg	Fencing	-	-	-	4,732	4,732
North Carolina	Army (DERF)	Fort Bragg	Force Protection Plan, Phase II	-	18,000	18,000	18,000	18,000
North Carolina	Army	Fort Bragg	Soldier Support Center	-	9,400	-	9,400	9,400
North Carolina	Navy	Camp Lejeune	Fitness Center Addition	5,370	5,370	5,370		5,370
North Carolina	Navy	Camp Lejeune	Land Acquisition	-	4,200	-	4,200	4,200
North Carolina	Navy	MCAS Cherry Point	T-56 Test Cell	6,040	6,040	6,040		6,040
North Carolina	Navy	MCAS Cherry Point	Ordnance Magazines	-	4,430	-		-
North Carolina	Navy	MCAS New River	Property Control Facility	6,920	6,920	6,920		6,920
North Carolina	Air Force	Pope AFB	Dormitory (144 Room)	9,700	9,700	9,700		9,700
North Carolina	Air Force	Seymour Johnson AFB	Fire/Crash Rescue Station	-	-	10,600		-
North Carolina	DODEA	Camp Lejeune	Berkeley Manor ES Replace School	10,884	10,884	10,884		10,884
North Carolina	DODEA (DERF)	Camp Lejeune	Berkeley Manor ES Replace School	-	1,254	1,254	1,254	1,254
North Carolina	DODEA	Fort Bragg	Butner ES Classroom Addition	900	900	900		900
North Carolina	DODEA (DERF)	Fort Bragg	Butner ES Classroom Addition	-	104	104	104	104
North Carolina	DODEA	Fort Bragg	McNair ES Classroom Addition	925	925	925		925
North Carolina	DODEA (DERF)	Fort Bragg	McNair ES Classroom Addition	-	107	107	107	107
North Carolina	SOCOM	Fort Bragg	SOF Renovate Bryant Hall	11,600	11,600	11,600		11,600
North Carolina	SOCOM	Fort Bragg	SOF Weapons Training Facility	19,200	19,200	19,200		19,200
North Carolina	Army National Guard	Elizabeth City	Motor Vehicle Storage Compound (ADRS)	208	208	208		208
North Carolina	Air National Guard (DERF)	Charlotte/Douglas IAP	Relocate Road and Gate House	-	2,500	2,500	2,500	2,500
North Carolina	Army Reserve	Fort Bragg	Add/Alter Reserve Center	1,624	1,624	1,624		1,624
North Dakota	Air Force	Minot AFB	CALCM Storage Facility	-	-	18,000		-
North Dakota	Air Force	Minot AFB	Munitions Storage Igloos	-	-	-	5,000	5,000
Ohio	Air Force	Wright-Patterson AFB	AFIT Graduate Facility Upgrade	-	13,000	13,000	13,000	13,000
Ohio	Air Force	Wright-Patterson AFB	Dormitory (144 Room)	10,400	-	-	(10,400)	-
Ohio	Air Force	Wright-Patterson AFB	Materials Computational Research Facility	-	-	15,200		-
Ohio	Air Force (DERF)	Wright-Patterson AFB	Small Arms Range Complex	-	12,000	10,000	12,000	12,000
Ohio	DLA	Columbus	Physical Fitness Facility	5,021	5,021	5,021	(5,021)	-
Ohio	Air National Guard	179th Airlift Wing Mansfield	Replace Vehicle Maintenance Shop	-	3,500	-	3,500	3,500
Ohio	Air National Guard	Toledo Express	Replace Logistics Complex	-	6,900	-		-
Ohio	Air National Guard	Rickenbacker ANGB	Fire Station	-	6,000	-	6,000	6,000
Ohio	Air National Guard	Springfield ANGB	Fire Station	-	6,100	-	6,100	6,100
Ohio	Army Reserve	North Canton	Reserve Center	-	11,998	-	11,998	11,998
Ohio	Naval Reserve (DERF)	NMCRC Columbus	Harden NRC Building	-	1,040	1,040	1,040	1,040
Ohio	Air Force Reserve (DERF)	Youngstown Air Reserve Station	Visitors Center	-	2,500	2,500		-
Oklahoma	Army (DERF)	Ft. Sill	Cantonment Fencing	-	-	-	4,652	4,652

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Oklahoma	Army	Ft. Sill	Consolidated Maintenance Complex, Phase I	-	-	10,000	10,000	10,000
Oklahoma	Air Force	Altus AFB	Consolidated Base Engineer Complex, Phase I	-	-	7,700	7,700	7,700
Oklahoma	Air Force	Tinker AFB	Consolidated Integrated Support Facility	-	7,500	-		-
Oklahoma	Air Force	Vance AFB	Elam Road Repair	-	-	4,800	4,800	4,800
Oregon	Army National Guard	Lane County	Armed Forces Reserve Center Phase II	-	-	9,000		-
Oregon	Air National Guard (DERF)	Klamath Falls Apt-Kingsley Field	Replace Cantonment Area Fence	-	1,000	1,000	1,000	1,000
Oregon	Air Force Reserve	Portland IAP	Alter Maintenance Hangar	525	525	525		525
Oregon	Air Force Reserve	Portland IAP	Alter Maintenance Shops	2,650	2,650	2,650		2,650
Oregon	Air Force Reserve	Portland IAP	Consolidated Training, Phase I	1,609	1,609	1,609		1,609
Oregon	Air Force Reserve	Portland IAP	Hydrant Refueling System, Phase I	6,400	6,400	6,400		6,400
Pennsylvania	Army	Letterkenny Army Depot	Ammunition Road Infrastructure	1,550	1,550	1,550		1,550
Pennsylvania	Army National Guard	Connellsville	Readiness Center Phase II	-	1,700	-	1,700	1,700
Pennsylvania	Army National Guard	Johnstown	Runway Improvements	-	11,000	-		-
Pennsylvania	Air National Guard	Pittsburgh IAP	Add/Alter Squadron Operations and Support Facilities	-	-	7,700	7,700	7,700
Pennsylvania	Air National Guard (DERF)	Ft Indiantown Gap AGS	Base Entrance/Relocate Road/Fencing	-	2,300	2,300	2,300	2,300
Pennsylvania	Army Reserve	Johnstown	Upgrade Aircraft Parking/Ramp	-	-	-	12,270	12,270
Rhode Island	Navy	NS Newport	Police/Security/Fire/Gate	-	-	9,030	9,030	9,030
Rhode Island	Navy	NS Newport	Child Development Center	-	6,870	-	6,870	6,870
South Carolina	Army	Fort Jackson	Basic Combat Training Complex, Phase III	39,000	39,000	39,000		39,000
South Carolina	Army (DERF)	Fort Jackson	Cantonment Fencing	-	-	-	3,051	3,051
South Carolina	Navy	MCAS Beaufort	Aircraft Acoustical Enclosure	13,700	13,700	13,700		13,700
South Carolina	Navy (DERF)	NWS Charleston	Security Facilities Consolidation	-	5,740	5,740	5,740	5,740
South Carolina	Navy	MCRD Parris Island	All Weather Training Facility	7,410	7,410	7,410		7,410
South Carolina	Navy	MCRD Parris Island	Recruit Training Facility Addition	3,080	3,080	3,080		3,080
South Carolina	Air Force	Shaw AFB	Fighter Squadron Maintenance Facility	-	6,800	6,500	6,800	6,800
South Carolina	Air National Guard	McEntire ANGB	Replace Operations and Training Facility	-	-	10,200		-
South Carolina	Air Force Reserve	Charleston AFB	Medical Training Addition	-	2,150	-	2,150	2,150
South Carolina	DODEA	Fort Jackson	Hood St ES Classroom Addition	865	865	865		865
South Carolina	DODEA (DERF)	Fort Jackson	Hood St ES Classroom Addition	-	100	100	100	100
South Carolina	DODEA	Fort Jackson	Pierce Terrace ES Classroom Addition	1,382	1,382	1,382		1,382
South Carolina	DODEA (DERF)	Fort Jackson	Pierce Terrace ES Classroom Addition	-	159	159	159	159
South Dakota	Air Force	Ellsworth AFB	37th Bomb Squadron Operations Facility	-	-	13,200	13,200	13,200
South Dakota	Army National Guard	Camp Rapid	Barracks/Dining /Admin and Parking Complex Phase II	-	-	10,593	10,593	10,593
Tennessee	Air National Guard	Nashville IAP	Composite Aircraft Maintenance Complex Phase II	-	-	8,400		-
Texas	Army (DERF)	Fort Bliss	Cantonment Fencing	-	-	-		-
Texas	Army	Fort Bliss	Upgrade Water Systems	-	5,200	-	5,200	5,200
Texas	Army (DERF)	Fort Hood	Access Control Buildings/Security Fencing	-	24,000	24,000	24,000	24,000

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Texas	Army	Fort Hood	Barracks Complex - Clear Creek Road	45,000	45,000	45,000		45,000
Texas	Army	Fort Hood	Brigade/Battalion Command and Control Phase II	-	16,000	-	11,600	11,600
Texas	Army (DERF)	Fort Hood	Fencing	-	-	-	2,461	2,461
Texas	Navy	NAS Kingsville	Upgrade Airfield Lighting and Controls	6,210	6,210	6,210		6,210
Texas	Navy	NAS Corpus Christi	Public Safety Facility	-	7,150	-	7,150	7,150
Texas	Navy	NS Ingleside	Mine Warfare Training Center Addition	-	-	5,480	5,000	5,000
Texas	Navy	NAS JRB Fort Worth	AIMD Power Plant Shop	-	8,850	-		-
Texas	Air Force (DERF)	Lackland AFB	Military Operations in Urban Terrain Site	-	13,000	13,000	13,000	13,000
Texas	Air Force (DERF)	Lackland AFB	Mil Operations in Urban Terrain Site (Camp Bullis)	-	6,000	6,000	6,000	6,000
Texas	Air Force (DERF)	Lackland AFB	Mil Operations in Urban Terrain Site (Camp Bullis)	-	(6,000)	-		-
Texas	Air Force	Lackland AFB	Student Dormitory (200 Rm)	18,500	18,500	18,500		18,500
Texas	Air Force	Lackland AFB	Training Annex, Fitness Center	-	5,800	-	5,800	5,800
Texas	Air Force (DERF)	Lackland AFB	Visiting Quarters (Camp Bullis)	-	(4,000)	-		-
Texas	Air Force (DERF)	Lackland AFB	Visiting Quarters (Camp Bullis)	-	4,000	4,000	4,000	4,000
Texas	Air Force	Laughlin AFB	Consolidated Wing Support Facility	-	8,000	-	8,000	8,000
Texas	Air Force	Sheppard AFB	Airfield Ops Complex	-	8,000	-		-
Texas	Air Force	Sheppard AFB	Dormitory (144 Room)	10,000	10,000	10,000		10,000
Texas	Air Force	Sheppard AFB	Euro-NATO Joint Pilot Training Flight Simulator	6,000	6,000	6,000		6,000
Texas	Air Force	Goodfellow AFB	Wing Support Complex	-	-	10,600	10,600	10,600
Texas	Air National Guard	Ft. Bliss	Base Defense Training Center	-	-	8,700	8,000	8,000
Texas	Army Reserve	Grand Prairie	Army Reserve Center/OMS/DSGS	9,113	9,113	9,113		9,113
Texas	Naval Reserve	NASJRB Fort Worth	AIMD Power Plant Shop	-	-	-	8,850	8,850
Texas	Naval Reserve (DERF)	NASJRB Fort Worth	Base Pass/ID/Visitor's Center	-	1,500	1,500	1,500	1,500
Texas	Naval Reserve	NMCRC Waco	Vehicle Maintenance/Supply Storage Facility	4,140	4,140	4,140		4,140
Utah	Air Force	Hill AFB	Consolidated Software Support Facility	-	-	16,500		-
Utah	Air Force	Hill AFB	Depot Maintenance Hangar Phase IB	-	14,500	-	14,500	14,500
Vermont	Army National Guard	South Burlington	Readiness Center	-	-	11,241	11,241	11,241
Virginia	Army (DERF)	Fort Eustis	Fencing and Access Road	-	-	-	4,133	4,133
Virginia	Army (DERF)	Fort Lee	Cantonment Fencing	-	-	-	1,903	1,903
Virginia	Army	Fort Lee	Fire and Emergency Services Center	-	5,200	-	5,200	5,200
Virginia	Navy	Dam Neck	Special Operations Building	-	3,900	-		-
Virginia	Navy (DERF)	NAB Little Creek	Fleet Information Warfare Center	-	5,370	5,370	5,370	5,370
Virginia	Navy (DERF)	NAB Little Creek	New Truck Access Gate	-	4,400	4,400	4,400	4,400
Virginia	Navy	NSWC Dahlgren	Theater Warfare Integration Center	9,230	9,230	9,230		9,230
Virginia	Navy (DERF)	NSWC Dahlgren	Chemical/Biological Det Facility Addition	-	6,600	6,600	6,600	6,600
Virginia	Navy	NS Norfolk	Aircraft Maintenance Facilities	34,450	34,450	34,450		34,450
Virginia	Navy	NS Norfolk	Aircraft Recap, Phase III	11,290	11,290	11,290		11,290

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Virginia	Navy	NS Norfolk	BEQ, Shipboard Ashore, Phase I	37,310	37,310	37,310		37,310
Virginia	Navy (DERF)	NS Norfolk	Gate 2 Security Improvements	-	4,400	4,400	4,400	4,400
Virginia	Navy (DERF)	NS Norfolk	Gate 3A Security Improvements	-	4,005	4,005	4,005	4,005
Virginia	Navy (DERF)	NS Norfolk	Main Gate Improvements	-	2,200	2,200	2,200	2,200
Virginia	Navy	NS Norfolk	Pier Replacement, Phase II	33,520	33,520	33,520		33,520
Virginia	Navy	NS Norfolk	Shoreline Security Fencing	2,030	2,030	2,030		2,030
Virginia	Navy	NS Norfolk	Upgrade Electrical Distribution, Phase III	25,160	25,160	25,160		25,160
Virginia	Navy (DERF)	NSA Norfolk	Gate 5 Security Improvements	-	2,260	2,260	2,260	2,260
Virginia	Navy	Norfolk NSY	AT/FP Improvements	19,660	19,660	19,660		19,660
Virginia	Navy	Norfolk NSY	Ship Components Service Facility	-	-	16,810	16,810	16,810
Virginia	Navy	NAS Oceana	Airfield Approach Lighting	2,000	2,000	2,000		2,000
Virginia	Navy (DERF)	NAS Oceana	Airfield Perimeter Security	-	10,500	10,500	10,500	10,500
Virginia	Navy (DERF)	NAS Oceana	Post 1 Security Improvements	-	3,990	3,990	3,990	3,990
Virginia	Navy	MCCDC Quantico	Armory/Fleet Weapons Support Facility	4,234	4,234	4,234		4,234
Virginia	Navy	MCCDC Quantico	BEQ (OCS)	10,280	10,280	10,280		10,280
Virginia	Navy	MCCDC Quantico	BEQ Addition, SNCO	5,040	5,040	5,040		5,040
Virginia	Navy	MCCDC Quantico	Consolidate Instruction Facility	-	5,310	-	5,310	5,310
Virginia	Navy	NWS Yorktown	BEQ Replacement	15,020	15,020	15,020		15,020
Virginia	Air Force (DERF)	Langley AFB	ACC Operations Support Center	-	24,000	24,000	23,000	23,000
Virginia	Air Force	Langley AFB	Dormitory (96 Room)	8,320	8,320	8,320		8,320
Virginia	Air Force	Langley AFB	F-22 Flight Simulator	8,120	8,120	8,120		8,120
Virginia	Air Force	Langley AFB	F-22 Infrastructure and Utilities	10,700	10,700	10,700		10,700
Virginia	Air Force	Langley AFB	F-22 Squadron Ops/AMU	20,800	20,800	20,800		20,800
Virginia	Defense (WHS)	Arlington	Land Acquisition	18,000	-	18,000	(18,000)	-
Virginia	DLA	Def Dist Depot Richmond	Renovate Operations Center	5,500	5,500	5,500		5,500
Virginia	DTRA	Fort Belvoir	Headquarters Relocation	50,188	50,188	50,188		50,188
Virginia	DODEA	Quantico	Ashurst ES Classroom Addition	1,272	1,272	1,272		1,272
Virginia	DODEA (DERF)	Quantico	Ashurst ES Classroom Addition	-	146	146	146	146
Virginia	SOCOM	Dam Neck	Special Operations Building	-	-	-	3,900	3,900
Virginia	SOCOM	Little Creek	SOF Operations Trainer	4,400	4,400	4,400		4,400
Virginia	SOCOM	Little Creek	SOF Seal Team Operations Facility	9,900	9,900	9,900		9,900
Virginia	Army National Guard	Ft. Pickett	Maneuver and Training Equipment Site, Phase II	-	-	8,957	8,957	8,957
Virginia	Army Reserve	Fort Story	Readiness Center,OMS,AMSA,Storage	12,385	12,385	12,385		12,385
Virginia	Naval Reserve	Norfolk	Reserve Center Addition	4,770	4,770	4,770		4,770
Washington	Army	Fort Lewis	Barracks Complex - 17th & B Street, Phase III	50,000	50,000	50,000		50,000
Washington	Army	Fort Lewis	Battle Simulation Center	24,000	24,000	24,000		24,000
Washington	Army	Fort Lewis	Combined Arms Collective Training Facility	29,800	29,800	29,800		29,800

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Washington	Army (DERF)	Fort Lewis	Fencing	-	-	-	2,395	2,395
Washington	Army (DERF)	Yakima Training Center	Shoot House	-	-	-	1,500	1,500
Washington	Army (DERF)	Yakima Training Center	Urban Assault Course	-	-	-	1,500	1,500
Washington	Navy	SWFPAC Bangor	Missile Spares Storage Building	7,340	7,340	7,340		7,340
Washington	Navy	NSB Bangor	Relocate Encumbered Waterfront Shops	5,900	5,900	5,900		5,900
Washington	Navy (DERF)	NSB Bangor	Small Arms Training Center	-	16,410	16,410	16,410	16,410
Washington	Navy	NS Bremerton	BEQ Shipboard Ashore	35,120	35,120	35,120		35,120
Washington	Navy (DERF)	NS Bremerton	Ship Movements Office with Control Tower	-	2,200	2,200	2,200	2,200
Washington	Navy	NS Bremerton	Waterfront Revitalization	8,550	8,550	8,550		8,550
Washington	Navy	Keyport NUWC	Center for Integrated USW Systems Dependability	-	10,500	-	7,500	7,500
Washington	Navy	NMAG Indian Island	Ammunition Wharf Improvements	4,030	4,030	4,030		4,030
Washington	Navy	Puget Sound NSY Bremerton	AT/FP Improvements	21,670	21,670	21,670		21,670
Washington	Navy	Puget Sound NSY Bremerton	AT/FP Parking	-	3,000	-	3,000	3,000
Washington	Navy	Puget Sound NSY Bremerton	Industrial Waste Treatment Facility	11,390	11,390	11,390		11,390
Washington	Navy	Puget Sound NSY Bremerton	Waterfront Support Facilities	21,072	21,072	21,072		21,072
Washington	Navy	NAS Whidbey Island	Aircraft Direct Refueling Facility	9,180	9,180	9,180		9,180
Washington	Navy (DERF)	NAS Whidbey Island	Ault Field Security Fencing	-	8,400	8,400	8,400	8,400
Washington	Army National Guard	Spokane	Combined Readiness Center	-	8,800	11,598	8,800	8,800
West Virginia	Army National Guard	Summersville	Readiness Center	6,800	6,800	6,800		6,800
West Virginia	Army National Guard	Lewisburg	Readiness Center	-	-	5,624	5,715	5,715
West Virginia	Air National Guard	Martinsburg	Site Improvements & Utilities	-	-	12,200	12,200	12,200
Wisconsin	Army National Guard	Camp Douglas (Camp Williams)	United States Property & Fiscal Office Warehouse	6,045	6,045	6,045		6,045
Wisconsin	Army National Guard	Madison	United States Property and Fiscal Office	5,245	5,245	5,245	(5,245)	-
Wisconsin	Army National Guard	Camp Douglas (Camp Williams)	United States Property and Fiscal Office	-	-	-	5,245	5,245
Wisconsin	Army Reserve	Fort McCoy	Battalion Dining Facility	5,117	5,117	5,117		5,117
Wisconsin	Army Reserve	Fort McCoy	Battle Simulation Center	-	-	3,863		-
Wyoming	Air Force	F.E. Warren AFB	Storm Drainage System, Phase I	-	-	10,000		-
Wyoming	Naval Reserve (DERF)	NRC Cheyenne	Harden NRC Building	-	1,240	1,240	1,240	1,240
Conus Various	JCS (DERF)	Unspecified Location	CINC HQ for Homeland Defense	-	-	25,000		-
Belgium	Army	SHAPE HQ	Barracks Complex - Chievres	13,600	13,600	13,600		13,600
Bahrain	Navy	NSA Bahrain	Installation Service Support Center	25,970	25,970	25,970		25,970
Belgium	DODEA	Mons	SHAPE ES Classroom Addition	1,410	1,410	1,410		1,410
Belgium	DODEA (DERF)	Mons	SHAPE ES Classroom Addition	-	163	163	163	163
Cuba	Navy (DERF)	NS Guantanamo Bay	Security Upgrades	-	4,280	4,280	4,280	4,280
Diego Garcia	Navy	Diego Garcia NAVSUPPFAC	Physical Readiness Center	8,370	8,370	8,370		8,370
Diego Garcia	Navy	Diego Garcia NAVSUPPFAC	Waterfront Operations Support Facility	2,720	2,720	2,720		2,720

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Location	Service/Agency/Program	Installation	Project Title	FY2003 Authorization Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
Diego Garcia	Air Force	Diego Garcia	B-2 Aircraft Parking Apron, Phase I	17,100	17,100	17,100		17,100
Germany	Army	Bamberg	Barracks Complex - Warner Building 7002	10,200	10,200	10,200		10,200
Germany	Army	Bamberg	Child Development Center	7,000	7,000	7,000		7,000
Germany	Army (DERF)	Campbell Barracks	Window Replacement	-	8,300	8,300	8,300	8,300
Germany	Army (DERF)	Coleman Barracks	Upgrade Access Control/Perimeter Security	-	1,350	1,350	1,350	1,350
Germany	Army	Darmstadt	Modified Record Fire Range, Automated	3,500	3,500	3,500		3,500
Germany	Army	Grafenwoehr	Brigade Complex - Utilities Infrastructure	46,666	46,666	46,666		46,666
Germany	Army	Grafenwoehr	Brigade Complex-Barracks	13,200	13,200	13,200		13,200
Germany	Army	Grafenwoehr	Brigade Complex-Site Preparation	10,000	10,000	10,000		10,000
Germany	Army (DERF)	Landstuhl Hospital	Upgrade Access Control/Facilities	-	1,100	1,100	1,100	1,100
Germany	Army (DERF)	Landstuhl Hospital	Upgrade Access Control/Perimeter Security	-	1,300	1,300	1,300	1,300
Germany	Army	Mannheim	Barracks Complex - Coleman Bldg 18	42,000	42,000	42,000		42,000
Germany	Army	Schweinfurt	Central Vehicle Wash Facility	2,000	2,000	2,000		2,000
Germany	Air Force	Ramstein AB	Combined Fleet Service/In-Flight Kitchen	7,500	7,500	7,500		7,500
Germany	Air Force	Ramstein AB	KMC Center Support	21,300	21,300	21,300		21,300
Germany	Air Force (DERF)	Ramstein AB	Large Vehicle Security Inspection Station	-	1,600	1,600	1,600	1,600
Germany	Air Force	Ramstein AB	Passenger Terminal Annex	17,683	17,683	17,683		17,683
Germany	Air Force	Ramstein AB	Ramp 1, Phase I	23,700	23,700	23,700		23,700
Germany	TRICARE	Spangdahlem AB	Hospital Replacement	39,629	39,629	39,629		39,629
Germany	DODEA	Kaiserlautern AB	Ramstein ES Classroom Addition	858	858	858		858
Germany	DODEA (DERF)	Kaiserlautern AB	Ramstein ES Classroom Addition	-	99	99	99	99
Germany	DODEA	Spangdahlem AB	Spangdahlem ES Classroom Addition	894	894	894		894
Germany	DODEA (DERF)	Spangdahlem AB	Spangdahlem ES Classroom Addition	-	103	103	103	103
Greece	Navy	NSA JHC Larissa	BEQ and Support Facility	14,800	14,800	14,800	(8,000)	6,800
Guam	Air Force	Andersen AFB	Fitness Center	16,000	16,000	16,000		16,000
Guam	Air Force (DERF)	Andersen AFB	Replace Base Water Supply System	-	15,000	15,000	15,000	15,000
Guam	DLA	Andersen AFB	Replace Hydrant Fuel System, Phase IV	17,586	17,586	17,586		17,586
Guam	Army National Guard	Barrigada	Readiness Center	-	6,968	-	6,968	6,968
Iceland	Navy	NAS Keflavik	Combined Dining Facility	14,920	14,920	14,920		14,920
Italy	Army	Vicenza	Barracks Complex-Camp Ederle	31,000	31,000	31,000		31,000
Italy	Army	Vicenza	Child Development Center	3,700	3,700	3,700		3,700
Italy	Navy (DERF)	NAS Sigonella	Off Base Access Road Improvements	-	11,300	11,300	11,300	11,300
Italy	Navy (DERF)	NAS Sigonella	Off Base Access Road Improvements	-	(11,300)	-	(11,300)	(11,300)
Italy	Navy	NAS Sigonella	Parking Garage and Perimeter Security Upgrade	19,560	19,560	19,560		19,560
Italy	Navy	NAS Sigonella	QOL Support II	33,530	33,530	33,530		33,530
Italy	Air Force (DERF)	Aviano Bachelor Housing Annex #1	Consolidate Area A1 & Area A2 for Force Protection	-	5,000	5,000	5,000	5,000
Italy	Air Force (DERF)	Aviano AB	Large Vehicle Inspection Station	-	1,600	1,600	1,600	1,600

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(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY2003 Authorization Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
Italy	TRICARE	NAS Naples	Medical/Dental Facility Replacement	41,449	41,449	41,449		41,449
Italy	DODEA	Vicenza	Vicenza ES Classroom Addition	1,898	1,898	1,898		1,898
Italy	DODEA (DERF)	Vicenza	Vicenza ES Classroom Addition	-	219	219	219	219
Japan	Air Force (DERF)	Kadena AB	Visitor & Traffic Control Facility & Security Fencing	-	6,000	6,000	6,000	6,000
Japan	DLA	Yokota AB	Bulk Fuel Storage Tanks	23,000	23,000	23,000		23,000
Korea	Army	Camp Carroll	Barracks Complex	20,000	20,000	20,000		20,000
Korea	Army	Camp Castle	Physical Fitness Training Center	6,800	6,800	6,800		6,800
Korea	Army	Camp Henry	Barracks Complex	10,200	10,200	10,200		10,200
Korea	Army	Camp Hovey	Barracks Complex	25,000	25,000	25,000		25,000
Korea	Army	Camp Humphreys	Barracks Complex	36,000	36,000	36,000		36,000
Korea	Army (DERF)	Camp Tango	Communications and Commo Hardening	-	12,600	12,600	12,600	12,600
Korea	Army	K-16 Airfield	Barracks Complex	40,000	40,000	40,000		40,000
Korea	Air Force	Osan AB	Dormitory (156 Room)	15,100	15,100	15,100		15,100
Korea	DODEA	Seoul	Seoul MS Replacement	28,409	28,409	28,409		28,409
Korea	DODEA (DERF)	Seoul	Seoul MS Replacement	-	3,274	3,274	3,274	3,274
Mariana Islands	Navy	Guam	BEQ Replacement	13,400	13,400	13,400		13,400
Mariana Islands	DLA	Guam	Marine Loading Arms	6,000	6,000	6,000		6,000
Portugal	DLA	Def FSP Lajes Field Azores	Replace Hydrant Fuel System	19,000	-	19,000	(19,000)	-
Portugal	DODEA	Lajes AB	Lajes ES Classroom Addition	1,069	1,069	1,069		1,069
Portugal	DODEA (DERF)	Lajes AB	Lajes ES Classroom Addition	-	123	123	123	123
Qatar	Army	Qatar	Unaccompanied Personnel Housing	8,600	8,600	8,600		8,600
Spain	Navy (DERF)	NS Rota	Security Complex	-	18,700	18,700	18,700	18,700
Spain	Navy	Joint HQ CMD Madrid	NEX/MWR Facility	2,890	-	2,890	(2,890)	-
Spain	Air Force	NS Rota	Aircraft Parking Apron, Phase I	31,818	31,818	31,818		31,818
Spain	DLA	NS Rota	Hydrant Fuel System	23,400	23,400	23,400		23,400
Turkey	Air Force (DERF)	Incirlik AB	Large Vehicle Security Inspection Station	-	1,550	1,550	1,550	1,550
United Kingdom	Air Force	RAF Fairford	B-2 Maintenance Hangar/Apron	19,000	19,000	19,000		19,000
United Kingdom	Air Force	RAF Lakenheath	Add To and Alter Fitness Center	10,800	10,800	10,800		10,800
United Kingdom	Air Force	RAF Lakenheath	Mobility Processing Facility	2,600	2,600	2,600		2,600
United Kingdom	DLA	RAF Fairford	Replace Hydrant Fuel System	17,000	17,000	17,000		17,000
Wake Island	Air Force	Wake Island	Repair Airfield Pavement, Phase II	24,900	24,900	24,900		24,900
Worldwide	OSD	Base Closure IV	Base Closure Activities - Army	149,878	-	-	(149,878)	-
Worldwide	OSD	Base Closure IV	Base Closure Activities - Navy	258,940	-	-	(258,940)	-
Worldwide	OSD	Base Closure IV	Base Closure Activities - Air Force	136,320	-	-	(136,320)	-
Worldwide	OSD	Base Closure IV	Base Realignment & Closure, Defense	-	545,138	545,138	565,138	565,138
Worldwide	OSD	Base Closure IV	Revised Economic Assumptions	-	-	-	(4,000)	(4,000)

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Location	Service/Agency/Program	Installation	Project Title	FY2003 Authorization Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
Worldwide	Army	Unspecified Worldwide	Classified Project	4,000	4,000	4,000		4,000
Worldwide	Army	Unspecified Worldwide	Unspecified Minor Construction	20,500	21,550	20,500	1,050	21,550
New Mexico	Army	White Sands Missile Range	Planning and Design	-	-	3,000		-
Worldwide	Army	Unspecified Worldwide	Planning and Design	119,824	129,756	119,824	2,068	121,892
Worldwide	Army (DERF)	Unspecified Worldwide	Planning and Design	-	5,340	5,340	5,340	5,340
Worldwide	Army (DERF)	Unspecified Worldwide	Planning and Design	-	-	-	9,381	9,381
Worldwide	Army	Unspecified Worldwide	Host Nation Support	23,700	23,700	23,700		23,700
Worldwide	Army	Unspecified Worldwide	IBCT Transformation	-	-	-		-
Worldwide	Army	Unspecified Worldwide	Foreign Currency Fluctuations	-	(13,676)	(13,676)	(13,676)	(13,676)
Worldwide	Army	Unspecified Worldwide	Supervision, Inspection & Overhead Reduction	-	-	-	(16,740)	(16,740)
Worldwide	Army	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(8,000)	(8,000)
Worldwide	Army	Unspecified Worldwide	Civilian Personnel Accrual Accounting Adjustment	-	-	(26,083)	(26,083)	(26,083)
Worldwide	Army	Unspecified Worldwide	General Reduction	-	-	-		-
Worldwide	Navy	Unspecified Worldwide	Unspecified Minor Construction	23,262	23,262	23,262	2,925	26,187
Worldwide	Navy	Unspecified Worldwide	Planning and Design	68,573	78,115	70,173	9,367	77,940
Worldwide	Navy (DERF)	Unspecified Worldwide	Planning and Design	-	17,630	17,630	17,630	17,630
Worldwide	Navy	Various Worldwide	Host Nation Infrastructure	1,000	1,000	1,000		1,000
Worldwide	Navy	Unspecified Worldwide	Foreign Currency Fluctuations	-	(1,340)	(1,340)	(1,340)	(1,340)
Worldwide	Navy	Unspecified Worldwide	Civilian Personnel Accrual Accounting Adjustment	-	-	(10,470)	(10,470)	(10,470)
Worldwide	Navy	Unspecified Worldwide	Supervision, Inspection & Overhead Reduction	-	-	-	(15,017)	(15,017)
Worldwide	Navy	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(5,000)	(5,000)
Worldwide	Air Force	Classified Location	Classified Milcon Project	1,993	1,993	1,993		1,993
Worldwide	Air Force	Classified Location	C-17 Various Facilities	30,569	30,569	-	(30,569)	-
Worldwide	Air Force	Various Worldwide	C-17 Transformation	-	-	-		-
Worldwide	Air Force	Classified Location	Various Facilities/Utilities/Infrastructure	23,000	-	23,000		23,000
Worldwide	Air Force	Various Worldwide	Unspecified Minor Construction	11,500	11,500	11,500		11,500
Worldwide	Air Force	Various Worldwide	Planning and Design	41,496	55,161	59,619	20,527	62,023
Worldwide	Air Force	Unspecified Worldwide	Foreign Currency Fluctuations	-	(10,281)	(10,281)	(10,281)	(10,281)
Worldwide	Air Force	Unspecified Worldwide	General Reduction	-	-	-		-
Worldwide	Air Force (DERF)	Various Worldwide	Planning and Design	-	21,797	16,797	15,797	15,797
Worldwide	Air Force (DERF)	Various Worldwide	Planning and Design (Predator Beddown)	-	-	5,000	5,000	5,000
Worldwide	Air Force	Unspecified Worldwide	Supervision, Inspection & Overhead Reduction	-	-	-	(15,306)	(15,306)
Worldwide	Air Force	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(5,000)	(5,000)
Worldwide	Chem Bio Defense Prgm	Unspecified Worldwide	Planning and Design	5,000	5,000	5,000		5,000
Worldwide	Energy Cons Invest Prgm	Unspecified Worldwide	Energy Conservation Improvement Program	49,531	49,531	50,531	(15,000)	34,531
Worldwide	DFAS	Unspecified Worldwide	Unspecified Minor Construction	1,500	1,500	1,500		1,500
Worldwide	JCS	Unspecified Worldwide	Unspecified Minor Construction	6,430	6,430	6,430		6,430

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Location	Service/Agency/Program	Installation	Project Title	FY2003 Authorization Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
Worldwide	OSD	Unspecified Worldwide	Contingency Construction	10,000	10,000	10,000		10,000
Worldwide	OSD	Unspecified Worldwide	Unspecified Minor Construction	3,000	3,000	3,000		3,000
Worldwide	OSD	Unspecified Worldwide	Planning and Design	20,000	21,300	20,000	1,300	21,300
Worldwide	OSD (DERF)	Unspecified Worldwide	Planning and Design	-	-	-		-
Worldwide	SOCOM	Unspecified Worldwide	Unspecified Minor Construction	2,000	2,000	2,000		2,000
Worldwide	SOCOM	Unspecified Worldwide	Planning and Design	4,932	4,932	5,032	100	5,032
Worldwide	TRICARE	Unspecified Worldwide	Unspecified Minor Construction	3,363	3,363	3,363		3,363
Worldwide	TRICARE	Unspecified Worldwide	Planning and Design	14,200	14,200	14,200		14,200
Worldwide	OSD	Unspecified Worldwide	Foreign Currency Fluctuations	-	(2,976)	(2,976)	(2,976)	(2,976)
Worldwide	OSD	Unspecified Worldwide	Accrual	-	(39,857)	-		-
Worldwide	OSD	Unspecified Worldwide	Supervision, Inspection & Overhead Reduction	-	-	-	(7,414)	(7,414)
Worldwide	OSD	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(3,000)	(3,000)
Worldwide	Army National Guard	Unspecified Worldwide	Unspecified Minor Construction	4,930	5,516	4,930	9,055	13,985
Worldwide	Army National Guard	Unspecified Worldwide	Planning and Design	14,724	24,369	16,429	12,318	27,042
Worldwide	Army National Guard	Unspecified Worldwide	General Reduction	-	-	-		-
Worldwide	Army National Guard	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(1,000)	(1,000)
Worldwide	Air National Guard	Unspecified Worldwide	Unspecified Minor Construction	4,400	4,400	4,400	1,500	5,900
Worldwide	Air National Guard	Unspecified Worldwide	Planning and Design	8,273	14,033	16,476	8,809	17,082
Worldwide	Air National Guard (DERF)	Unspecified Worldwide	Planning and Design	-	683	683	683	683
Worldwide	Army Reserve	Unspecified Worldwide	Unspecified Minor Construction	2,850	2,850	2,850		2,850
Worldwide	Army Reserve	Unspecified Worldwide	Planning and Design	6,965	8,965	7,315	2,340	9,305
Worldwide	Naval Reserve	Unspecified Worldwide	Unspecified Minor Construction	780	780	780		780
Worldwide	Naval Reserve	Unspecified Worldwide	Planning and Design	2,509	3,409	2,509	880	3,389
Worldwide	Naval Reserve (DERF)	Unspecified Worldwide	Planning and Design	-	377	377	377	377
Worldwide	Air Force Reserve	Unspecified Worldwide	Judgment Fund Payment	11,900	11,900	11,900		11,900
Worldwide	Air Force Reserve	Unspecified Worldwide	Unspecified Minor Construction	5,160	5,160	5,160	800	5,960
Worldwide	Air Force Reserve	Unspecified Worldwide	Planning and Design	3,656	5,656	3,863	1,423	5,079
Worldwide	Air Force Reserve (DERF)	Unspecified Worldwide	Planning and Design	-	476	476	476	476
Worldwide	NATO Sec Invest Prgm	Unspecified Worldwide	NATO Security Investment Program	168,200	168,200	168,200		168,200
Worldwide	NATO Sec Invest Prgm	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(1,000)	(1,000)
			Total Military Construction	4,713,916	5,737,448	5,948,750	1,503,699	6,217,615

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Location	Service/Agency/Program	Installation	Project Title	FY2003 Authorization Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
Alaska	Army	Fort Wainwright	Replace Family Housing (38 Units)	17,752	17,752	17,752		17,752
Arizona	Army	Yuma Proving Ground	Replace Family Housing (33 Units)	6,100	6,100	6,100		6,100
Arizona	Air Force	Luke AFB	Replace Family Housing, Phase II (140 Units)	18,954	18,954	18,954		18,954
California	Navy	NAS Lemoore	Replace Family Housing (178 Units)	40,981	40,981	40,981		40,981
California	Navy	MAGTFC Twentynine Palms	Replace Family Housing (76 Units)	19,425	19,425	19,425		19,425
California	Air Force	Travis AFB	Replace Family Housing, Phase III (110 Units)	24,320	24,320	24,320		24,320
Colorado	Air Force	Peterson AFB	Construct Family Housing, Phase I (2 Units)	959	959	959		959
Colorado	Air Force	U.S. Air Force Academy	Replace Family Housing, Phase I (71 Units)	12,424	12,424	12,424		12,424
Connecticut	Navy	NSB New London	Replace Family Housing (100 Units)	24,415	24,415	24,415		24,415
Delaware	Air Force	Dover AFB	Replace Family Housing, Phase II (112 Units)	19,615	19,615	19,615		19,615
Florida	Navy	NS Mayport	New Construction (1 Unit)	329	329	329		329
Florida	Air Force	Eglin AFB	Replace Family Housing, Phase IIA (134 Units)	15,906	15,906	15,906		15,906
Florida	Air Force	Eglin AFB	Housing Management Facility	597	597	597		597
Florida	Air Force	MacDill AFB	Replace Family Housing, Phase V (96 Units)	18,086	18,086	18,086		18,086
Hawaii	Navy	MCB Kaneohe Bay	Replace Family Housing (65 Units)	24,797	24,797	24,797		24,797
Hawaii	Air Force	Hickam AFB	Replace Family Housing, Phase II (96 Units)	29,050	29,050	29,050		29,050
Idaho	Air Force	Mountain Home AFB	Replace Family Housing, Phase IV (95 Units)	24,392	24,392	24,392		24,392
Kansas	Air Force	McConnell AFB	Construct MFH Maintenance Building & Roads	1,514	1,514	1,514		1,514
Maine	Navy	NAS Brunswick	Family Housing Replacement (22 Junior Enlisted Units)	-	5,800	-	5,000	5,000
Maryland	Air Force	Andrews AFB	Replace Family Housing, Phase IA (53 Units)	9,838	9,838	9,838		9,838
Maryland	Air Force	Andrews AFB	Replace Family Housing, Phase IB (52 Units)	8,807	8,807	8,807		8,807
Mississippi	Navy	NAS Meridian	Replace Family Housing (56 Units)	9,755	9,755	9,755		9,755
Mississippi	Air Force	Columbus AFB	MFH Management Office	412	412	412		412
Mississippi	Air Force	Keesler AFB	Replace Family Housing, Phase I (117 Units)	16,505	16,505	16,505		16,505
Missouri	Air Force	Whiteman AFB	Replace Family Housing, Phase III (97 Units)	3,977	17,107	3,977	13,130	17,107
Montana	Air Force	Malmstrom AFB	Replace Family Housing, Phase VIA (18 Units)	4,717	4,717	4,717		4,717
New Mexico	Air Force	Holloman AFB	Replace Family Housing (101 Units)	20,161	20,161	20,161		20,161
North Carolina	Navy	Camp Lejeune	Tarawa Terrace, Phase II Replacement (317 units)	43,650	43,650	43,650		43,650
North Carolina	Air Force	Pope AFB	Replace Housing Maintenance Bldg	991	991	991		991
North Carolina	Air Force	Seymour Johnson AFB	Replace Family Housing, Phase VII (126 Units)	18,615	18,615	18,615		18,615
North Dakota	Air Force	Grand Forks AFB	Replace Family Housing, Phase F (150 Units)	30,140	30,140	30,140		30,140
North Dakota	Air Force	Minot AFB	Replace Family Housing, Phase VIII (112 Units)	21,428	21,428	21,428		21,428
North Dakota	Air Force	Minot AFB	Replace Family Housing, Phase IX (102 Units)	20,315	20,315	20,315		20,315
Oklahoma	Air Force	Vance AFB	Replace Family Housing, Phase I (59 Units)	11,423	11,423	11,423		11,423
Pennsylvania	DLA	Def Dist Depot New Cumberland	Whole House Revitalization	5,430	5,430	5,430		5,430

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(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY2003 Authorization Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
South Dakota	Air Force	Ellsworth AFB	Replace Family Housing, Phase II (22 Units)	4,794	4,794	4,794		4,794
South Dakota	Air Force	Ellsworth AFB	Housing Maintenance Facility	447	447	447		447
Texas	Air Force	Dyess AFB	Replace Family Housing, Phase III (85 Units)	14,824	14,824	14,824		14,824
Texas	Air Force	Randolph AFB	Replace Family Housing, Phase I (112 Units)	14,311	14,311	14,311		14,311
Texas	Air Force	Randolph AFB	MFH Housing Maintenance Office	447	447	447		447
Virginia	Navy	MCB Quantico	Replacement Housing, Phase III (290 Units)	41,843	41,843	41,843		41,843
Virginia	Air Force	Langley AFB	Construction Housing Management Office	1,193	1,193	1,193		1,193
Germany	Army	Stuttgart	Replace Family Housing (1 Unit)	990	990	990	(990)	-
Germany	Air Force	Ramstein AB	Replace Family Housing (19 Units)	8,534	8,534	8,534		8,534
Greece	Navy	NSA JHC Larissa	New Construction (2 Units)	1,232	-	1,232	(1,232)	-
Korea	Army	Yongsan	Replace Family Housing (10 Units)	3,100	3,100	3,100		3,100
Korea	Air Force	Osan AB	Construct Family Housing, Phase I (113 Units)	35,705	35,705	35,705		35,705
Korea	Air Force	Osan AB	Replace Furnishings Management Warehouse	834	834	834		834
United Kingdom	Navy	JMF St Mawgan	New Construction (62 Units) Family Housing Office	18,524	18,524	18,524		18,524
United Kingdom	Air Force	RAF Lakenheath	Family Housing Management Facility	2,203	2,203	2,203		2,203
Worldwide	Army	Unspecified Worldwide	Construction Improvements	239,751	239,751	239,751		239,751
Worldwide	Army	Unspecified Worldwide	Planning and Design	15,653	15,653	15,653		15,653
Worldwide	Army	Unspecified Worldwide	Management Account	91,567	91,567	91,567		91,567
Worldwide	Army	Unspecified Worldwide	Services Account	41,846	41,846	41,846		41,846
Worldwide	Army	Unspecified Worldwide	Furnishings Account	48,673	48,673	48,673		48,673
Worldwide	Army	Unspecified Worldwide	Miscellaneous Account	1,321	1,321	1,321		1,321
Worldwide	Army	Unspecified Worldwide	Utilities Account	212,432	212,432	212,432		212,432
Worldwide	Army	Unspecified Worldwide	Leasing	215,251	215,251	215,251		215,251
Worldwide	Army	Unspecified Worldwide	Maintenance of Real Property	485,257	485,257	485,257		485,257
Worldwide	Army	Unspecified Worldwide	Servicemen's Mortgage Insurance Premium	1	1	1		1
Worldwide	Army	Unspecified Worldwide	Privatization Support Costs	25,926	25,926	25,926	(5,000)	20,926
Worldwide	Army	Unspecified Worldwide	Foreign Currency Fluctuations	-	-	(4,920)	(4,920)	(4,920)
Worldwide	Army	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(8,000)	(8,000)
Worldwide	Army	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(2,000)	(2,000)
Worldwide	Army	Unspecified Worldwide	Foreign Currency Fluctuations	-	(4,920)	-		-
Worldwide	Army	Unspecified Worldwide	Civilian Personnel Accrual Accounting Adjustment	-	-	(3,267)	(3,267)	(3,267)
Worldwide	Navy	Unspecified Worldwide	Construction Improvements	139,468	139,468	139,468		139,468
Worldwide	Navy	Unspecified Worldwide	Planning and Design	11,281	11,281	11,281		11,281
Worldwide	Navy	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(3,000)	(3,000)
Worldwide	Navy	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(6,000)	(6,000)
Worldwide	Navy	Unspecified Worldwide	Furnishings Account	30,344	30,344	30,344		30,344
Worldwide	Navy	Unspecified Worldwide	Management Account	82,114	82,114	82,114		82,114

Military Construction Authorizations for FY2003
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY2003 Authorization Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
Worldwide	Navy	Unspecified Worldwide	Miscellaneous Account	913	913	913		913
Worldwide	Navy	Unspecified Worldwide	Services Account	62,583	62,583	62,583		62,583
Worldwide	Navy	Unspecified Worldwide	Utilities Account	174,219	174,219	174,219		174,219
Worldwide	Navy	Unspecified Worldwide	Leasing	129,085	129,085	129,085		129,085
Worldwide	Navy	Unspecified Worldwide	Maintenance Of Real Property	381,388	381,388	381,388		381,388
Worldwide	Navy	Unspecified Worldwide	Servicemen's Mortgage Insurance Premium	71	71	71		71
Worldwide	Navy	Unspecified Worldwide	Privatization Support Costs	7,071	7,071	7,071		7,071
Worldwide	Navy	Unspecified Worldwide	Foreign Currency Fluctuations	-	-	(2,652)	(2,652)	(2,652)
Worldwide	Navy	Unspecified Worldwide	Foreign Currency Fluctuations	-	(2,652)	-		-
Worldwide	Air Force	Unspecified Worldwide	Construction Improvements	226,068	226,068	226,068		226,068
Worldwide	Air Force	Unspecified Worldwide	Planning and Design	34,188	34,188	34,188		34,188
Worldwide	Air Force	Unspecified Worldwide	Furnishings Account	35,619	35,619	35,619		35,619
Worldwide	Air Force	Unspecified Worldwide	Management Account	48,473	48,473	48,473		48,473
Worldwide	Air Force	Unspecified Worldwide	Services Account	25,178	25,178	25,178		25,178
Worldwide	Air Force	Unspecified Worldwide	Utilities Account	132,945	132,945	132,945		132,945
Worldwide	Air Force	Unspecified Worldwide	Miscellaneous Account	1,511	1,511	1,511		1,511
Worldwide	Air Force	Unspecified Worldwide	Leasing	103,690	103,690	103,690		103,690
Worldwide	Air Force	Unspecified Worldwide	Maintenance of Real Property	476,485	476,485	476,485		476,485
Worldwide	Air Force	Unspecified Worldwide	Servicemen's Mortgage Insurance Premium	36	36	36		36
Worldwide	Air Force	Unspecified Worldwide	Privatization Support Costs	20,482	20,482	20,482	(5,000)	15,482
Worldwide	Air Force	Unspecified Worldwide	Foreign Currency Fluctuations	-	-	(8,782)	(8,782)	(8,782)
Worldwide	Air Force	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(6,000)	(6,000)
Worldwide	Air Force	Unspecified Worldwide	Revised Economic Assumptions	-	-	-	(5,000)	(5,000)
Worldwide	Air Force	Unspecified Worldwide	Foreign Currency Fluctuations	-	(8,782)	-		-
Worldwide	Air Force (DERF)	Unspecified Worldwide	AT/FP Facility Upgrades	-	29,631	29,631	29,631	29,631
Worldwide	DIA	Unspecified Worldwide	Furnishings Account	3,689	3,689	3,689		3,689
Worldwide	DIA	Unspecified Worldwide	Leasing	26,220	26,220	26,220		26,220
Worldwide	DLA	Unspecified Worldwide	Furnishings	26	26	26		26
Worldwide	DLA	Unspecified Worldwide	Services Account	76	76	76		76
Worldwide	DLA	Unspecified Worldwide	Utilities Account	410	410	410		410
Worldwide	DLA	Unspecified Worldwide	Management Account	308	308	308		308
Worldwide	DLA	Unspecified Worldwide	Maintenance of Real Property	510	510	510		510
Worldwide	DLA	Unspecified Worldwide	Civilian Personnel Accrual Accounting Adjustment	-	-	(37)	(37)	(37)
Worldwide	NSA	Unspecified Worldwide	Construction Improvements	50	50	50		50
Worldwide	NSA	Unspecified Worldwide	Furnishings Account	120	120	120		120
Worldwide	NSA	Unspecified Worldwide	Management Account	15	15	15		15
Worldwide	NSA	Unspecified Worldwide	Miscellaneous Account	58	58	58		58

Military Construction Authorizations for FY2003
(Dollars in Thousands)

Location	Service/Agency/Program	Installation	Project Title	FY2003 Authorization Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
Worldwide	NSA	Unspecified Worldwide	Services Account	339	339	339		339
Worldwide	NSA	Unspecified Worldwide	Utilities Account	407	407	407		407
Worldwide	NSA	Unspecified Worldwide	Leasing	9,643	9,643	9,643		9,643
Worldwide	NSA	Unspecified Worldwide	Maintenance of Real Property	611	611	611		611
Worldwide	Family Housing Improvement Fund	Unspecified Worldwide	Family Housing Improvement Fund	2,000	2,000	2,000		2,000
			Total Family Housing	4,220,133	4,251,108	4,230,106	(14,119)	4,206,014
			Total Military Construction/Family Housing	8,934,049	9,988,556	10,178,856	1,489,580	10,423,629
			Prior Year Savings:					
			Rescission, Fort Bliss, Texas					-
			Rescission, Osan, Korea Base Civil Engineering Complex				(3,000)	(3,000)
			Rescission, Fort Buchanan, Puerto Rico, various				(30,700)	(30,700)
			Subtotal Prior Year Savings					(33,700)
			Grand Total Military Construction/Family Housing				1,489,580	10,389,929

Short title (sec. 2001)

The House bill contained a provision (sec. 2001) that would cite Division B of this Act as the Military Construction Authorization Act for Fiscal Year 2003.

The Senate amendment contained an identical provision (sec. 2001).

The conference agreement includes this provision.

TITLE XXI—ARMY

Overview

The House bill would authorize $2,930.7 million for Army military construction and family housing programs for fiscal year 2003.

The Senate amendment would authorize $3,010.3 million for this purpose.

The conferees recommend authorization of appropriations of $3,021.5 million for Army military construction and family housing for fiscal year 2003.

ITEMS OF SPECIAL INTEREST

Fort Bliss, Texas

Within the Army's military construction account, the conferees agree to authorize $5.2 million to upgrade the water system at Fort Bliss, Texas. Funds for this project are to be used in conjunction with the $5.0 million authorized for water system upgrades at that installation in the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107).

Fort Dix, New Jersey

The conferees recommend that, within authorized amounts for unspecified minor construction, the Secretary of the Army use $1.5 million for road construction in the vicinity of Fort Dix, New Jersey, to compensate for road closures due to force protection.

LEGISLATIVE PROVISIONS ADOPTED

Authorized Army construction and land acquisition projects (sec. 2101)

The House bill contained a provision (sec. 2101) that would authorize Army military construction projects for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2101).

The conference agreement includes this provision.

The amounts authorized in the bill are listed on an installation-by-installation basis. The state list of projects contained in this report provides the binding list of specific projects authorized at each location.

Family housing (sec. 2102)

The House bill included a provision (sec. 2102) that would authorize new construction and planning and design of family housing units for the Army for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2102).

The conference agreement includes this provision.

The amounts authorized in the bill are listed on an installation-by-installation basis. The state list of projects contained in this report provides the binding list of specific projects authorized at each location.

Improvements to military family housing units (sec. 2103)

The House bill contained a provision (sec. 2103) that would authorize improvements to existing units of Army family housing for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2103).

The conference agreement includes this provision.

Authorization of appropriations, Army (sec. 2104)

The House bill contained a provision (sec. 2104) that would authorize specific appropriations for each line item contained in the Army's military construction budget for fiscal year 2003. This section would also provide an overall limit on the amount the Army is authorized to spend on military construction projects.

The Senate amendment contained a similar provision (sec. 2104).

The conference agreement includes this provision.

Modification of authority to carry out certain fiscal year 2002 projects (sec. 2105)

The House bill contained a provision (sec. 2105) that 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 increase the total project authorization ceilings for military construction projects at Fort Carson, Colorado, and Fort Jackson, South Carolina.

The Senate amendment contained an identical provision (sec. 2105).

The conference agreement includes this provision.

Modification of authority to carry out certain fiscal year 2001 project (sec. 2106)

The Senate amendment contained a provision (sec. 2109) that would amend section 2101 of the Military Construction Authorization Act for Fiscal Year 2001 (division B of Public Law 106–398) to change the location for which funds were authorized for a barracks complex from Camp Page, Korea, to Camp Stanley, Korea.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Planning and design for anechoic chamber at White Sands Missile Range, New Mexico

The Senate amendment contained a provision (sec. 2110) that would authorize $3.0 million for planning and design for an anechoic chamber at White Sands Missile Range, New Mexico.

The House bill contained no similar provision.

The Senate recedes.

The state list contained in this report describes the conference agreement on funding for this project.

TITLE XXII—NAVY

Overview

The House bill would authorize $2,514.0 million for Navy military construction and family housing programs for fiscal year 2003.

The Senate amendment would authorize $2,476.2 million for this purpose.

The conferees recommend authorization of appropriations of $2,532.9 million for Navy military construction and family housing for fiscal year 2003.

LEGISLATIVE PROVISIONS ADOPTED

Authorized Navy construction and land acquisition projects (sec. 2201)

The House bill contained a provision (sec. 2201) that would authorize Navy military construction projects for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2201).

The conference agreement includes this provision.

The amounts authorized in the bill are listed on an installation-by-installation basis. The state list of projects contained in this report provides the binding list of specific projects authorized at each location.

Family housing (sec. 2202)

The House bill included a provision (sec. 2202) that would authorize new construction and planning and design of family housing units for the Navy for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2202).

The conference agreement includes this provision.

The amounts authorized in the bill are listed on an installation-by-installation basis. The state list of projects contained in this report provides the binding list of specific projects authorized at each location.

Improvements to military family housing units (sec. 2203)

The House bill contained a provision (sec. 2203) that would authorize improvements to existing units of Navy family housing for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2203).

The conference agreement includes this provision.

Authorization of appropriations, Navy (sec. 2204)

The House bill contained a provision (sec. 2204) that would authorize specific appropriations for each line item contained in the Navy's military construction budget for fiscal year 2003. This section would also provide an overall limit on the amount the Navy is authorized to spend on military construction projects.

The Senate amendment contained a similar provision (sec. 2204).

The conference agreement includes this provision.

Modification of authority to carry out certain fiscal year 2002 projects (sec. 2205)

The House bill contained a provision (sec. 2205) that would amend the table in section 2201 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107) to provide for an increase in the amounts authorized for military construction at Naval Station Norfolk, Virginia.

The Senate amendment contained a similar provision (sec. 2205) that would amend the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107) to increase the total project authorization for the projects at Naval Station, Norfolk, Virginia by $280,000. The provision would also correct the number of housing units authorized for a project at Quantico, Virginia from 60 units to 39 units.

The House recedes.

TITLE XXIII—AIR FORCE

Overview

The House bill would authorize $2,488.3 million for Air Force military construction and family housing programs for fiscal year 2003.

The Senate amendment would authorize $2,607.6 million for this purpose.

The conferees recommend authorization of appropriations of $2,583.4 million for Air Force military construction and family housing for fiscal year 2003.

LEGISLATIVE PROVISIONS ADOPTED

Authorized Air Force construction and land acquisition projects (sec. 2301)

The House bill contained a provision (sec. 2301) that would authorize Air Force military construction projects for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2301).

The conference agreement includes this provision.

The amounts authorized in the bill are listed on an installation-by-installation basis. The state list of projects contained in this

report provides the binding list of specific projects authorized at each location.

Family housing (sec. 2302)

The House bill included a provision (sec. 2302) that would authorize new construction and planning and design of family housing units for the Air Force for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2302).

The conference agreement includes this provision.

The amounts authorized in the bill are listed on an installation-by-installation basis. The state list of projects contained in this report provides the binding list of specific projects authorized at each location.

Improvements to military family housing units (sec. 2303)

The House bill contained a provision (sec. 2303) that would authorize improvements to existing units of Air Force family housing for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2303).

The conference agreement includes this provision.

Authorization of appropriations, Air Force (sec. 2304)

The House bill contained a provision (sec. 2304) that would authorize specific appropriations for each line item contained in the Air Force's military construction budget for fiscal year 2003. This section would also provide an overall limit on the amount the Air Force is authorized to spend on military construction projects.

The Senate amendment contained a similar provision (sec. 2304).

The conference agreement includes this provision.

Authority for use of military construction funds for construction of public road near Aviano Air Base, Italy, to replace road closed for force protection purposes (sec. 2305)

The Senate amendment contained a provision (sec. 2305) that would authorize the Secretary of the Air Force to provide to Italian authorities funds authorized for appropriation by section 2304 of this Act for the construction of a public road, plus associated improvements, to replace a public road adjacent to Aviano Air Base, Italy, that was closed for force protection purposes.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Additional project authorization for air traffic control facility at Dover Air Force Base, Delaware

The Senate amendment contained a provision (sec. 2306) that would authorize the Secretary of the Air Force to carry out the construction of a new air traffic control facility at Dover Air Force Base, Delaware, in the amount of $7.5 million.

The House bill contained no similar provision.

The Senate recedes.

The state list contained in this report describes the conference agreement on funding for this project.

Availability of funds for consolidation of materials computational research facility at Wright-Patterson Air Force Base, Ohio

The Senate amendment contained a provision (sec. 2307) that would authorize $15.2 million for Air Force military construction to construct a project for the consolidation of the materials computational research facility at Wright-Patterson Air Force Base, Ohio.

The House bill contained no similar provision.

The Senate recedes.

The state list contained in this report describes the conference agreement on funding for this project.

TITLE XXIV—DEFENSE AGENCIES

Overview

The House bill would authorize $829.8 million for Defense Agencies military construction and family housing programs for fiscal year 2003. The bill would also authorize $545.1 million for base closure activities.

The Senate amendment would authorize $771.8 million for Defense Agencies military construction and family housing programs and $545.1 million for base closure activities.

The conferees recommend authorization of appropriations of $856.2 million for Defense Agencies military construction and family housing for fiscal year 2003. The conferees also recommend authorization of appropriations of $561.1 million for base closure activities, which includes an increase of $20.0 million for environmental restoration at closed facilities.

LEGISLATIVE PROVISIONS ADOPTED

Authorized Defense Agencies construction and land acquisition projects (sec. 2401)

The House bill contained a provision (sec. 2401) that would authorize Defense Agencies military construction projects for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2401).

The conference agreement includes this provision.

The amounts authorized in the bill are listed on an installation-by-installation basis. The state list of projects contained in this report provides the binding list of specific projects authorized at each location.

Improvements to military family housing units (sec. 2402)

The House bill contained a provision (sec. 2402) that would authorize improvements to existing units of Defense Agencies family housing for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2402).

The conference agreement includes this provision.

Energy conservation projects (sec. 2403)

The House bill contained a provision (sec. 2403) that would authorize the Secretary of Defense to carry out energy conservation projects.

The Senate amendment contained a similar provision (sec. 2403).

The conference agreement includes this provision.

Authorization of appropriations, Defense Agencies (sec. 2404)

The House bill contained a provision (sec. 2404) that would authorize specific appropriations for each line item contained in the Defense Agencies' military construction budgets for fiscal year 2003. This section would also provide an overall limit on the amount the Defense Agencies are authorized to spend on military construction projects.

The Senate amendment contained a similar provision (sec. 2404).

The conference agreement includes this provision.

Modification of authority to carry out certain fiscal year 2000 project (sec. 2405)

The House bill contained a provision (sec. 2405) that would modify the table in section 2401 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65) to provide for an increase in the amounts authorized for military construction at Blue Grass Army Depot, Kentucky.

The Senate amendment contained an identical provision (sec. 2106).

The conference agreement includes this provision.

Modification of authority to carry out certain fiscal year 1999 project (sec. 2406)

The House bill contained a provision (sec. 2406) that would amend the table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261) to provide for an increase in the amounts authorized for military construction at Newport Army Depot, Indiana.

The Senate amendment contained a similar provision (sec. 2107).

The Senate recedes.

Modification of authority to carry out certain fiscal year 1997 project (sec. 2407)

The House bill contained a provision (sec. 2407) that would amend the table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201) to provide for an increase in the amounts authorized for military construction at Pueblo Chemical Activity, Colorado.

The Senate amendment contained an identical provision (sec. 2108).

The conference agreement includes this provision.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Authorized NATO construction and land acquisition projects (sec. 2501)

The House bill contained a provision (sec. 2501) that 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.

The Senate amendment contained an identical provision (sec. 2501).

The conference agreement includes this provision.

Authorization of appropriations, NATO (sec. 2502)

The House bill contained a provision (sec. 2502) that would authorize appropriations of $168.2 million as the U.S. contribution to the North Atlantic Treaty Organization (NATO) security investment program.

The Senate amendment contained an identical provision (sec. 2502).

The conference agreement includes this provision.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Overview

The House bill would authorize $512.4 million for military construction and land acquisition for fiscal year 2003 for the Guard and Reserve components.

The Senate amendment would authorize $599.6 million for this purpose.

The conferees recommend authorization of appropriations of $701.3 million for military construction and land acquisition for fiscal year 2003. This authorization would be distributed as follows:

[Dollars in millions]

Army National Guard	$ 236,236
Air National Guard	204,215
Army Reserve	99,399
Naval and Marine Corps Reserve	75,801
Air Force Reserve	85,649
Total	701,300

ITEMS OF SPECIAL INTEREST

Planning and design, Army National Guard

The conferees recommend that, within authorized amounts for planning and design, the Secretary of the Army make $1.4 million available to complete planning and design activities for a multipurpose training range at Fort Indiantown Gap, Pennsylvania.

LEGISLATIVE PROVISIONS ADOPTED

Authorized Guard and Reserve construction and land acquisition projects (sec. 2601)

The House bill contained a provision (sec. 2601) that would authorize appropriations for military construction for the Guard and Reserve by service component for fiscal year 2003.

The Senate amendment contained a similar provision (sec. 2601).

The conference agreement includes this provision. The state list of projects contained in this report provides the binding list of specific projects authorized at each location.

LEGISLATIVE PROVISIONS NOT ADOPTED

Army National Guard Reserve Center, Lane County, Oregon

The Senate amendment contained a provision (sec. 2602) that would authorize a $9.0 million increase in the Army National Guard military construction program for the construction of an additional phase of the Reserve Center in Lane County, Oregon.

The House bill contained no similar provision.

The Senate recedes.

The state list contained in this report describes the conference agreement on funding for this project.

Additional project authorization for composite support facility for Illinois Air National Guard

The Senate amendment contained a provision (sec. 2603) that would authorize a $10.0 million increase in the Air National Guard military construction program for the construction of the Composite Support Facility for the 183rd Fighter Wing of the Illinois Air National Guard.

The House bill contained no similar provision.

The Senate recedes.

The state list contained in this report describes the conference agreement on funding for this project.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

LEGISLATIVE PROVISIONS ADOPTED

Expiration of authorizations and amounts required to be specified by law (sec. 2701)

The House bill contained a provision (sec. 2701) that 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, 2005, or the date of enactment of an act authorizing funds for military construction for fiscal year 2006, whichever is later. This expiration would not apply to authorizations for which appropriated funds have been obligated before October 1, 2005, or the date of enactment of an act authorizing funds for these projects, whichever is later.

The Senate amendment contained an identical provision (sec. 2701).

The conference agreement includes this provision.

Extension of authorizations of certain fiscal year 2000 projects (sec. 2702)

The House bill contained a provision (sec. 2702) that would provide for the extension of certain fiscal year 1999 military construction project authorizations until October 1, 2003, or the date of the enactment of the act authorizing funds for military construction for fiscal year 2004, whichever is later.

The Senate amendment contained a similar provision (sec. 2702).

The House recedes.

Extension of authorizations of certain fiscal year 1999 projects (sec. 2703)

The House bill contained a provision (sec. 2703) that would provide for the extension of certain fiscal year 1999 military construction project authorizations until October 1, 2003, or the date of the enactment of the act authorizing funds for military construction for fiscal year 2004, whichever is later.

The Senate amendment contained an identical provision (sec. 2703).

The conference agreement includes this provision.

LEGISLATIVE PROVISIONS NOT ADOPTED

Effective date

The House bill contained a provision (sec. 2704) that would provide that Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of this bill shall take effect on October 1, 2002, or the date of the enactment of this Act, whichever is later.

The Senate amendment contained a similar provision (sec. 2704).

Because the conference report was not adopted prior to October 1, 2002, this provision is no longer required and was not included in the conference agreement.

TITLE XXVIII—GENERAL PROVISIONS

ITEMS OF SPECIAL INTEREST

Blount Island, Jacksonville, Florida

The conferees understand that the Secretary of the Navy and business and government entities in Jacksonville, Florida, have been unable to resolve what commercial activities may continue on Blount Island, Jacksonville, Florida, upon completion of several pending land acquisitions by the Secretary. The conferees believe that in the course of negotiating easements with these entities, the Secretary of the Navy should consider that a waiver of regulations pertaining to activities within the explosive safety quantity distance arc has been in effect for over fifteen years and that ammunition transshipment operations occur only 12 weekends annually. The conferees believe that both the Marine Corps and commercial

activities can safely coexist on Blount Island and encourage both sides to continue to negotiate in good faith.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Military Construction Program and Military Family Housing Changes

Leasing of military family housing in Korea (sec. 2801)

The House bill contained a provision (sec. 2803) that would amend section 2828 of title 10, United States Code, to authorize the Secretary of the Army to lease up to 2,400 units of family housing in Korea for a maximum lease amount of $35,000 per year. This provision would also increase from 800 to 1,175 the number of units of family housing in Korea that may be leased for no more than $25,000 per year.

The Senate amendment contained a similar provision (sec. 2801).

The House recedes.

Modification of alternative authority for acquisition and improvement of military housing (sec. 2802)

The House bill contained a provision (sec. 2801) that would amend several provisions of title 10, United States Code, to provide the secretaries of the military departments with additional flexibility in the management of family and unaccompanied housing under alternate authorities. The provision would amend section 2872a of title 10, United States Code, to add police and fire protection services to the services that may be provided by a service secretary under the housing privatization authorities; would amend section 2874 of title 10, United States Code, to permit service secretaries to lease existing housing and incorporate such housing into contracts negotiated under these authorities; would repeal section 2879 of title 10, United States Code; would amend section 2880 of title 10, United States Code, to remove restrictions on space limitations by grade for unaccompanied housing provided under these authorities on a military installation; and would amend section 2883 of title 10, United States Code, to consolidate the existing separate family housing and unaccompanied housing improvement funds into a single fund.

The Senate amendment contained a provision (sec. 2803) that would amend section 2874 of title 10, United States Code, to permit service secretaries to lease existing housing and incorporate such housing into contracts negotiated under these authorities. The provision would repeal section 2879 of title 10, United States Code, and make certain conforming changes.

The House recedes with an amendment that would amend section 2872a of title 10, United States Code, to add police and fire protection services to the list of services that a service secretary may be provide under this authority.

Pilot housing privatization authority for acquisition or construction of military unaccompanied housing (sec. 2803)

The House bill contained a provision (sec. 2804) that would authorize the Secretary of the Navy to undertake no more than three pilot projects within the United States and its territories for the acquisition or construction of military unaccompanied housing to be operated and maintained by private sector entities. The provision would also authorize the Secretary of Defense to set specific higher rates of partial basic allowance for housing (BAH) for sailors or marines assigned to this housing. The authorities would expire September 30, 2007.

The Senate amendment contained a provision (sec. 604) that would authorize the Secretary of Defense to prescribe higher partial basic allowance for housing rates. The rates would be expected to approximate, but be lower than, current BAH rates for unaccompanied junior enlisted personnel assigned to shore commands where government-provided housing is not available. The authority would expire in 2007.

The Senate recedes with an amendment that would authorize a partial BAH for members assigned to such projects and would direct that the Department of Defense Military Unaccompanied Housing Improvement Fund be used to fund the pilot program.

Repeal of source requirements for family housing construction overseas (sec. 2804)

The Senate amendment contained a provision (sec. 2802) that would repeal section 803 of the Military Construction Authorization Act, 1984 (Public Law 98–115), which requires the use of housing manufactured or fabricated in the United States in family housing constructed in foreign countries.

The House bill contained no similar provision.

The House recedes.

Availability of energy cost savings realized at military installations (sec. 2805)

The conferees agree to include a provision that would modify section 2865 of title 10, United States Code, to allow up to two-thirds of energy savings realized from energy savings contracts to remain available until expended. Under current law, such funds are available for up to two years. The conferees believe this change would allow the military departments to make more efficient use of savings realized under Energy Savings Performance Contracts.

Subtitle B—Real Property and Facilities Administration

Agreements to limit encroachments and other constraints on military training, testing, and operations (sec. 2811)

The House bill contained a provision (sec. 2811) that would authorize the secretaries of the military departments to enter into agreements with private entities to acquire interests in lands adjacent to military installations that would serve to limit development or preserve habitat in the vicinity of military installations in order to protect military training and operations. The House bill would

also allow the secretaries of the military departments to enter into agreements to acquire water rights.

The Senate amendment contained a similar provision (sec. 2811).

The Senate recedes with a technical amendment.

Conveyance of surplus real property for natural resource conservation purposes (sec. 2812)

The House bill contained a provision (sec. 2812) that would authorize the secretaries of the military departments to convey surplus real property to State or local governments or to nonprofit entities who have as their primary purpose the conservation of open space or natural resources. Property would be conveyed under this authority under the condition that it be used to preserve open space or the natural resources on such property. Any property conveyed that was no longer being used for such purposes would revert to the United States.

In addition, any subsequent conveyance would be subject to secretarial approval and to the condition that the property be maintained for natural resource conservation in perpetuity. Any property no longer being maintained in accordance with these provisions would revert to the United States.

The Senate amendment contained a similar provision (sec. 2812) that would require prior notice to Congress before any subsequent conveyance of the property.

The Senate recedes with an amendment that would also require prior notice to Congress before any release of covenants on such property.

Modification of demonstration program on reduction in long-term facility maintenance costs (sec. 2813)

The House bill contained a provision (sec. 2814) that would authorize the Secretary of Defense to conduct a demonstration program to assess whether the inclusion of facility maintenance requirements in military construction contracts may reduce the long-term facility maintenance costs of the military departments. The program would be limited to 12 contracts, and would be in addition to similar authority provided to the Secretary of the Army by section 2814 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107).

The Senate amendment contained a similar provision (sec. 2813) that would amend section 2814 of the Military Construction Act for Fiscal Year 2002 (division B of Public Law 107–107) to authorize the Department of Defense to expand the number of demonstration projects on reduction of long-term facility maintenance costs from three to 12. The provision would amend that act to expand the program to the Department of the Navy and the Department of the Air Force while providing for the continuation of ongoing Army demonstration projects.

The House recedes with an amendment that would allow each military department to enter into up to 12 contracts as part of the demonstration program.

Expanded authority to transfer property at military installations to be closed to persons who construct or provide military family housing (sec. 2814)

The House bill contained a provision (sec. 2815) that would amend section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526) and section 2905 of the Defense Base Closure and Realignment Act of 1990 (Public Law 101–510) to provide greater flexibility to the secretary of a military department to exchange property at a closed military installation for military family housing that is needed at other installations, even if the property to be exchanged was identified as essential to the reuse plan at the closing installation.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees direct the secretaries of the military departments to consult with and take into consideration the views of the local redevelopment agency prior to entering into an agreement to transfer any property at a closed military installation to a third party in exchange for the construction of military housing at another location.

Subtitle C—Land Conveyances

Part I—Army Conveyances

Transfer of jurisdiction, Fort McClellan, Alabama, to establish Mountain Longleaf National Wildlife Refuge (sec. 2821)

The conferees agree to include a provision that would direct the Secretary of the Army to transfer approximately 7,600 acres of real property at Fort McClellan, Alabama, to the Secretary of the Interior for the purpose of establishing the Mountain Longleaf National Wildlife Refuge. The Secretary of the Army would retain responsibility for ordnance and munitions on the property. The provision would authorize the Secretary of the Army to provide up to $500,000 from the Base Realignment and Closure Account to the Secretary of the Interior to facilitate the transfer of the property and support environmental research.

Land conveyances, lands in Alaska no longer required for National Guard purposes (sec. 2822)

The House bill contained a provision (sec. 2821) that would authorize the Secretary of the Army to convey to the State of Alaska, a local government entity, or Native corporation in the State of Alaska certain parcels of real estate in the National Wildlife Refuge System in Alaska that are excess to the needs of the Alaska National Guard.

The Senate amendment contained a similar provision (sec. 2821).

The Senate recedes.

Land conveyance, Sunflower Army Ammunition Plant, Kansas (sec. 2823)

The Senate amendment contained a provision (sec. 2832) that would authorize the Secretary of the Army or the Administrator of

the General Services Administration to convey approximately 2,000 acres at the former Sunflower Army Ammunition Plant, Kansas, to the Johnson County Park and Recreation District, Kansas, for recreational purposes.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize only the Administrator of General Services Administration to convey the property. The amendment would also make certain technical and conforming changes.

Land conveyances, Bluegrass Army Depot, Richmond, Kentucky (sec. 2824)

The Senate amendment contained a provision (sec. 2833) that would authorize the Secretary of the Army to convey 10 acres, without consideration, at Blue Grass Army Depot, Kentucky, to Madison County, Kentucky, for the purpose of constructing a veterans' center. The property could revert to the United States if not being used for the intended purpose.

The House bill contained no similar provision.

The House recedes with an amendment that would also authorize the Secretary to convey to the county, without consideration, an additional three acres for the purpose of constructing an educational center and historic museum and would permit the Secretary to require reimbursement to the Government for administrative costs associated with these conveyances. The conferees further agree to require reimbursement for any excess costs that result from a request by the recipient for any environmental assessment or other activities beyond those considered reasonable and necessary to convey this property in compliance with existing law.

Land conveyance, Fort Campbell, Kentucky (sec. 2825)

The House bill contained a provision (sec. 2822) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property at Fort Campbell, Kentucky, consisting of approximately 50 acres containing an abandoned railroad spur, to the City of Hopkinsville, Kentucky. The property would be used by the City for storm water management, recreation, and other public purposes. The cost of any surveys necessary for the conveyance would be borne by the City.

The Senate amendment contained a similar provision (sec. 2822) that would require, as a condition of the conveyance, the City to reimburse the Secretary for costs incurred to carry out the conveyance.

The House recedes with an amendment that would permit the Secretary to require reimbursement to the Government for administrative costs associated with this conveyance. The conferees further agree to require reimbursement for any excess costs that result from a request by the recipient for any environmental assessment or other activities beyond those considered reasonable and necessary to convey the property in compliance with existing law.

Land conveyance, Army Reserve Training Center, Buffalo, Minnesota (sec. 2826)

The House bill contained a provision (sec. 2823) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property, with improvements, to the Buffalo Independent School District 877 of Buffalo, Minnesota. The property is to be used by the school district as a learning center. The cost of any surveys necessary for the conveyance would be borne by the school district.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would permit the Secretary to require reimbursement to the Government for administrative costs associated with this conveyance. The conferees further agree to require reimbursement for any excess costs that result from a request by the recipient for any environmental assessment or other activities beyond those considered reasonable and necessary to convey the property in compliance with existing law.

Land conveyance, Fort Monmouth, New Jersey (sec. 2827)

The House bill contained a provision (sec. 2826) that would authorize the Secretary of the Army to sell a parcel of land consisting of approximately 64 acres of military family housing known as Howard Commons and located at Fort Monmouth, New Jersey. The provision would specify that the sale would be made on a competitive basis and would be at no less than fair market value. As compensation the Secretary may accept payment in-kind that would build replacement facilities or rehabilitate existing military family housing at Fort Monmouth.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize either the Secretary of the Army or the Administrator of the General Services Administration to carry out the conveyance. The amendment would also make certain conforming changes and require the Secretary of the Army to notify the congressional defense committees in the event the payment in-kind takes the form of new construction.

Land conveyance, Fort Bliss, Texas (sec. 2828)

The House bill contained a provision (sec. 2824) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property at Fort Bliss, Texas, consisting of approximately 44 acres with and without improvements, to the State of Texas. The property would be used by the State for the construction of a veterans' nursing home and could revert to the United States if not being used for the intended purpose. The cost of any surveys necessary for the conveyance would be borne by the State.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would permit the Secretary to require reimbursement to the Government for administrative costs associated with this conveyance. The conferees further agree to require reimbursement for any excess costs that result from a request by the recipient for any environmental assessment or other activities beyond those considered reasonable and necessary to convey the property in compliance with existing law.

Land conveyance, Fort Hood, Texas (sec. 2829)

The House bill contained a provision (sec. 2825) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real estate at Fort Hood, Texas, consisting of approximately 174 acres with and without improvements, to the Veterans Land Board of the State of Texas. The property would be used by the State to establish a State-run veterans' cemetery. The cost of any surveys necessary for the conveyance would be borne by the Board.

The Senate amendment contained a similar provision (sec. 2829) which provided that the property could revert to the United States if not being used for the intended purpose.

The House recedes with an amendment that would permit the Secretary to require reimbursement to the Government for administrative costs associated with this conveyance. The conferees further agree to require reimbursement for any excess costs that result from a request by the recipient for any environmental assessment or other activities beyond those considered reasonable and necessary to convey the property in compliance with existing law.

Land conveyances, Engineer Proving Ground, Fort Belvoir, Virginia (sec. 2830)

The Senate amendment contained a provision (sec. 2830) that would authorize the Secretary of the Army to convey, without consideration, approximately 135 acres at the Engineer Proving Ground, Fort Belvoir, Virginia to Fairfax County, Virginia for use as a park or recreational purposes. The provision would further authorize the Secretary to convey, at fair market value using competitive procedures, the remaining acreage at the Engineer Proving Ground. The compensation received by the Secretary could be in cash or in the form of in-kind consideration for maintenance, improvement, alteration, repair, restoration, or construction of facilities at Fort Belvoir. The provision would repeal section 2821, as amended, of the National Defense Authorization Act for Fiscal Year 1990 and 1991 (Public Law 101–189) relating to the Engineer Proving Ground.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize either the Secretary of the Army or the Administrator of the General Services Administration to convey the balance of the property. The amendment would also direct that the congressional defense committees be notified when payment in-kind involves the construction of new facilities. The amendment would also make certain conforming changes.

Part II—Navy Conveyances

Land conveyance, Marine Corps Air Station, Miramar, San Diego, California (sec. 2831)

The House bill contained a provision (sec. 2831) that would authorize the Secretary of the Navy to convey a parcel of real property at Marine Corps Air Station Miramar, San Diego, California, to ENPEX Corporation. As consideration, the provision would require that the corporation convey to the United States a parcel of

real property in the San Diego area, and if that parcel does not contain housing suitable for use as military family housing, the corporation would construct family housing and convey such housing and underlying real estate to the Secretary of the Navy. The provision would also require that the value of the housing and real estate to be acquired by the Secretary be of at least equal value to real estate being conveyed and would restrict the use of the land conveyed by the Secretary to the generation of electric power.

The Senate amendment contained no similar provision.

The Senate recedes.

Modification of authority for land transfer and conveyance, Naval Security Group Activity, Winter Harbor, Maine (sec. 2832)

The Senate amendment contained a provision (sec. 2823) that would amend section 2845(b) of the Military Construction Act for Fiscal Year 2002 (division B of Public Law 107–107) to authorize the Secretary of the Navy to convey to the State of Maine, a political subdivision of the State, or any tax-supported agency in the State, without consideration, approximately 50 acres known as the Corea Operating Site and approximately 23 acres comprising three parcels containing family housing. The provision would further authorize the Secretary to convey approximately 404 acres of the Corea site to the Secretary of the Interior for inclusion in the National Wildlife Refuge System, as requested by the Department of the Interior pursuant to the federal screening required by section 2696 of title 10, United States Code.

The House bill amendment contained no similar provision.

The House recedes with a technical amendment.

Land conveyance, Westover Air Reserve Base, Massachusetts (sec. 2833)

The Senate amendment contained a provision (sec. 2824) that would authorize the Secretary of the Navy to convey, without consideration, to the City of Chicopee, Massachusetts, property consisting of 30.4 acres, including 133 housing units and other improvements that are no longer required for defense purposes, located at Westover Air Reserve Base, Massachusetts. The property would be used by the city for economic development. The provision would authorize the Secretary to require the City of Chicopee to reimburse the Navy for the administrative costs related to the conveyance.

The House bill contained no similar provision.

The House recedes with an amendment that would require reimbursement for any excess costs that result from a request by the recipient for any environmental assessment or other activities beyond those considered reasonable and necessary to convey the property in compliance with existing law.

Land conveyance, Naval Station, Newport, Rhode Island (sec. 2834)

The Senate amendment contained a provision (sec. 2825) that would authorize the Secretary of the Navy to convey to the State of Rhode Island, or any political subdivision thereof, a parcel of real property consisting of approximately 34 acres, with any improve-

ments thereon, known as the Melville Marina site. The conveyance would be by sale for fair market value.

The House bill contained no similar provision.

The House recedes.

Land exchange and boundary adjustments, Marine Corps Base, Quantico, and Prince William Forest Park, Virginia (sec. 2835)

The House bill contained a provision (sec. 2832) that would authorize the Secretary of the Interior and the Secretary of the Navy to adjust the boundaries of Marine Corps Base, Quantico, Virginia, and Prince William Forest Park, Virginia. The boundary adjustment would require the Secretary of the Navy to transfer approximately 352 acres of land to the administrative jurisdiction of the Secretary of the Interior and would require the Secretary of the Interior to transfer approximately 3,400 acres of land to the administrative jurisdiction of the Secretary of the Navy.

The Senate amendment contained no similar provision.

The Senate recedes with a technical and clarifying amendment.

Part III—Air Force Conveyances

Modification of land conveyance, Los Angeles Air Force Base, California (sec. 2841)

The conferees agree to include a provision that would modify section 2861 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398) to extend the time limitation on a leaseback exercised under that authority, if any, from ten to thirty years.

Land exchange, Buckley Air Force Base, Colorado (sec. 2842)

The Senate amendment contained a provision (sec. 2826) that would authorize the Secretary of the Air Force to convey to the State of Colorado property consisting of approximately 72 acres, including improvements, known as the Watkins Communication Site in Arapahoe County, Colorado. In exchange, the State would convey to the Air Force real property consisting of approximately 41 acres, including improvements, that is contiguous to Buckley Air Force Base, Colorado. The property conveyed to the Air Force would be used to build additional housing and would not be subject to general land laws, including mining and mineral and geothermal leasing laws. The provision would authorize additional terms and conditions, which may include a payment by one party to the other to reflect a difference in the value of the two parcels of property. Because the acquisition of this land had not yet received the approval normally required by the Office of the Secretary of Defense, the provision specified that this exchange would require the concurrence of the Secretary of Defense.

The House bill contained no similar provision.

The House recedes with an amendment that would specify that the purpose of the conveyance is for the construction of military family housing. Since the Secretary of Defense has approved the required land acquisition waiver, the amendment would also strike

the limitation that the Secretary of Defense must concur with the conveyance.

Land conveyances, Wendover Air Force Base Auxiliary Field, Nevada (sec. 2843)

The House bill contained a provision (sec. 2841) that would authorize the Secretary of the Interior and the Secretary of the Air Force to convey certain parcels of real property at Wendover Air Force Base Auxiliary Field, Nevada, to the City of West Wendover, Nevada, and Tooele County, Utah, without consideration, for the purpose of establishing a runway protection zone and the development of an industrial park.

The Senate amendment contained a similar provision (sec. 2828).

The Senate recedes with a technical amendment.

Subtitle D—Other Matters

Master plan for use of Navy Annex, Arlington, Virginia (sec. 2851)

The Senate amendment contained a provision (sec. 2831) that would repeal title XXIX of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65) regarding the Commission on the National Military Museum. The provision would also amend section 2881 of that Act to require the Secretary of Defense to submit a master plan for the use of the Navy Annex, Arlington, Virginia, no later than 180 days after enactment of the bill. The provision would further direct that the master plan not delay the construction of the Air Force Memorial.

The House bill contained no similar provision.

The House recedes with an amendment that would delete the language referring to the National Military Museum.

Sale of excess treated water and wastewater treatment capacity, Marine Corps Base, Camp Lejeune, North Carolina (sec. 2852)

The House bill contained a provision (sec. 2862) that would permit the Secretary of the Navy to enter into an agreement that would allow Camp Lejeune, North Carolina, to provide treated water and wastewater treatment services to Onslow County, North Carolina, if the Secretary determines that such an agreement is in the public interest and will not interfere with current or future utility needs at Camp Lejeune. The county would be required to reimburse the Navy for the fair market value of the services provided, and any amounts paid would be credited to the base operations and maintenance accounts of Camp Lejeune.

The Senate amendment contained no similar provision.

The Senate recedes.

Conveyance of real property, Adak Naval Complex, Alaska, and related land conveyances (sec. 2853)

The House bill contained a provision (sec. 2863) that would ratify an agreement made by the Secretary of the Interior, the Secretary of the Navy, and the Aleut Corporation in September 2000 concerning the reuse of the Adak Naval Complex, Alaska, and other related parcels of land. The agreement would provide that

real estate on Adak Island withdrawn for use by the Secretary of the Navy may be transferred to the Aleut Corporation without regard to the requirements of section 1621 of title 42, United States Code, pertaining to lands in the Alaska Maritime National Wildlife Refuge. In return, the Aleut Corporation would agree to transfer to the Secretary of the Interior at least 36,000 acres of land suitable for inclusion in the Alaska Maritime National Wildlife Refuge.

The Senate amendment contained no similar provision.

On August 1, 2002, the Senate passed S. 1325, a bill that was nearly identical to the House provision. The House passed S. 1325 on September 24, 2002, and it was signed into law by the President on October 11, 2002, as Public Law 107–239.

The Senate recedes with an amendment that would amend S. 1325 by adding the language contained in subsection (g) of the House bill regarding the tax basis of property received under the ratified agreement.

Special requirement for adding military installation to closure list (sec. 2854)

The House bill contained a provision (sec. 2864) that would amend the Defense Base Closure and Realignment Act of 1990 (title XXIX of Public Law 101–510) to require that in order for the base closure commission to add a base to the list proposed by the Secretary of Defense in the 2005 base closure round, the commission would have to vote unanimously to add the base to the list, and at least two commissioners would have to visit that base during the commission's review of the list.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would provide that in order for the commission to recommend closure of a base that is added to the Secretary's list for consideration by the commission, at least two commissioners must visit any such base before the commission holds its final vote and submits its recommendations to the President.

LEGISLATIVE PROVISIONS NOT ADOPTED

Easement for construction of roads or highways, Marine Corps Base, Camp Pendleton, California

The House bill contained a provision (sec. 2861) that would amend section 2851 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261), as previously amended by section 2867 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), by providing that provisions of California state law could not prevent the Secretary of the Navy from granting an easement for a proposed road or highway across federal property at Camp Pendleton, California, and that State law would not apply to the construction, operation, or maintenance of any such road by the Foothill/Eastern Transportation Corridor Agency.

The Senate amendment contained no similar provision.

The House recedes.

Land acquisition, Boundary Channel Drive Site, Arlington

The Senate amendment contained a provision (sec. 2827) that would authorize the Secretary of Defense, using amounts authorized to be appropriated by section 2401, to acquire approximately 7.2 acres of real property in Arlington County, Virginia, known as the Boundary Channel Drive Site. The provision would direct that, upon the purchase of the site, the property be included in the Pentagon Reservation as defined in section 2674 (f)(1) of title 10, United States Code.

The House bill contained no similar provision.

The Senate recedes.

National emergency exemption from screening and other requirements of McKinney-Vento Homeless Assistance Act for property used in support of response activities

The House bill contained a provision (sec. 2813) that would amend section 11411 of title 42, United States Code, to provide an exception to the requirement to screen excess or surplus property for various other uses when the property may be needed by federal, state, or local agencies to support response efforts in times of war, national emergency, or a major disaster.

The Senate amendment contained no similar provision.

The House recedes.

Transfer of funds for acquisition of replacement property for National Wildlife Refuge system lands in Nevada

The Senate amendment contained a provision (sec. 2841) that would authorize the Secretary of the Air Force to transfer $15.0 million in funds authorized to be appropriated to the Air Force for fiscal year 2003 for land acquisition at Nellis Air Force Base, Nevada, to the United States Fish and Wildlife Service to purchase replacement lands for the National Wildlife Refuge (NWR) system in Nevada. These lands would replace lands removed from the NWR system and withdrawn for military training by section 3011(b) of the Military Lands Withdrawal Act of 1999 (title XXX of Public Law 106–65).

The House bill contained no similar provision.

The Senate recedes.

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

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Overview

Title XXXI authorizes appropriations for atomic energy defense activities of the Department of Energy (DOE) for fiscal year 2003, including: the purchase, construction, and acquisition of plant and capital equipment; research and development; nuclear weapons; naval nuclear propulsion; environmental restoration and waste management; operating expenses; and other expenses necessary to carry out the purposes of the Department of Energy Organization Act (Public Law 95–91). The title would authorize appropriations

in four categories: National Nuclear Security Administration (NNSA); defense environmental management; other defense activities; and defense nuclear waste disposal.

The budget request for atomic energy defense activities at the Department of Energy totaled $15.4 billion, a 4.4 percent increase above the fiscal year 2002 level. Of the total amount requested, $8.0 billion would be for the National Nuclear Security Administration, of which $5.9 billion would be for weapons activities, $1.1 billion would be for defense nuclear nonproliferation activities, $708.0 million would be for naval reactors, and $347.7 million would be for the Office of the Administrator; $6.6 billion would be for defense environmental management, of which, $4.6 billion would be for defense environmental restoration and waste management activities, $800.0 million for environmental management cleanup reform, $1.1 billion would be for defense facilities closure projects, and $158.4 million would be for defense environmental management privatization; $472.2 million would be for other defense activities; and $315.0 million would be for defense nuclear waste disposal.

The conferees agree to authorize $15.6 billion for atomic energy defense activities at the Department of Energy, an increase of $142.0 million above the budget request. The conferees agree to authorize $8.0 billion for the NNSA, a reduction of $0.2 million to the budget request. Of the amounts authorized for the NNSA, $5.9 billion would be for weapons activities, $1.1 billion would be for defense nuclear nonproliferation activities, $706.8 million would be for naval reactors, and $325.9 million would be for the Office of the Administrator. The conferees agree to authorize $6.8 billion for the defense environmental management activities, an increase of $151.8 million above the budget request. Of the amounts authorized for defense environmental management, $4.5 billion would be for defense environmental restoration and waste management activities, $982.0 million would be for environmental management cleanup reform, $1.1 billion would be for defense facilities closure projects, and $158.4 million would be for defense environmental management privatization. The conferees agree to authorize $462.7 million for other defense activities, a decrease of $9.5 million. The amount authorized for other defense activities would include $27.7 million for energy security and assurance, $185.5 million for the Office of Security, $41.2 million for intelligence, $46.0 million for counterintelligence, $22.4 million for independent oversight and performance assurance, $99.0 million for environmental safety and health; $19.7 million for worker and community transition, $25.6 million for national security program administration support and $2.9 million for the Office of Hearing and Appeals. The conferees agree to authorize $315.0 million for defense nuclear waste disposal.

The following table summarizes the budget request and the authorizations:

NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2003

(In Thousands of Dollars)

	FY 2003 Request to Congress	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Atomic Energy Defense Activities (053)					
National Nuclear Security Administration					
Weapons Activities	5,869,379	5,937,000	5,988,188	32,262	5,901,641
Defense Nuclear Nonproliferation	1,113,630	1,074,630	1,129,130	-9,500	1,104,130
Naval Reactors	708,020	706,790	707,020	-1,230	706,790
Office of the Administrator	347,705	315,929	335,705	-21,776	325,929
Total, National Nuclear Security Administration	**8,038,734**	**8,034,349**	**8,160,043**	**-244**	**8,038,490**
Environmental and Other Defense Activities:					
Defense Environmental Restoration and Waste Management	4,558,360	4,544,133	4,601,460	-48,227	4,510,133
Defense Environmental Cleanup Reform	800,000	800,000	1,000,000	182,000	982,000
Defense Facilities Closure Projects	1,091,314	1,091,314	1,109,314	18,000	1,109,314
Environmental Management Privatization	158,399	158,399	158,399		158,399
Other Defense Activities	472,156	457,664	489,883	-9,492	462,664
Defense Nuclear Waste Disposal	315,000	315,000	215,000		315,000
Total Department of Energy/NNSA	**15,433,963**	**15,400,859**	**15,734,099**	**142,037**	**15,576,000**
Defense Nuclear Facilities Safety Board	19,494	19,000	19,494	-494	19,000
Formerly Utilized Sites Remedial Action Program	—	—	140,000	—	—
Total Atomic Energy Defense Activities	**15,453,457**	**15,419,859**	**15,893,593**	**141,543**	**15,595,000**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
National Nuclear Security Administration:					
Weapons Activities					
Directed stockpile work					
Stockpile research and development	467,149	467,149	451,649		467,149
Stockpile maintenance	401,157	401,157	401,157		401,157
Stockpile evaluation	197,184	197,184	197,184		197,184
Dismantlement/disposal	24,378	24,378	24,378		24,378
Production support	137,706	137,706	137,706		137,706
Field engineering, training and manuals	6,893	6,893	6,893		6,893
Total, Directed stockpile work	**1,234,467**	**1,234,467**	**1,218,967**	—	**1,234,467**
Campaigns					
Science campaigns					
Primary certification	47,159	47,159	47,159		47,159
Dynamic materials properties	87,594	87,594	87,594		87,594
Advanced radiography					
Operations and maintenance	52,925	52,925	52,925		52,925
Secondary certification and nuclear systems margins	47,790	47,790	47,790		47,790
Total, Science campaigns	**235,468**	**235,468**	**235,468**	—	**235,468**
Engineering campaigns					
Enhanced surety	37,713	37,713	37,713		37,713

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Weapons system engineering certification	27,007	27,007	27,007		27,007
Nuclear survivability	23,394	23,394	23,394		23,394
Enhanced surveillance	77,155	77,155	77,155		77,155
Advanced design and production technologies	74,141	74,141	74,141		74,141
Total, Engineering campaigns	**239,410**	**239,410**	**239,410**	—	**239,410**
High energy density physics campaign					
Operations and maintenance	237,748	262,748	248,442	35,694	273,442
Construction:					
96-D-111 National ignition facility (NIF), LLNL, Livermore, CA	214,045	214,045	224,045		214,045
Total, High energy density physics campaign	**451,793**	**476,793**	**472,487**	**35,694**	**487,487**
Advanced simulation and computing					
Operations and maintenance	669,527	669,527	669,527		669,527
Construction:					
01-D-101 Distributed information systems laboratory, SNL, Livermore, CA	13,305	13,305	13,305		13,305
00-D-103, Terascale simulation facility, LLNL, Livermore, CA	35,030	35,030	35,030		35,030

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
00-D-107 Joint computational engineering laboratory, SNL, Albuquerque, NM	7,000	7,000	7,000		7,000
Total, Construction	**55,335**	**55,335**	**55,335**	—	**55,335**
Total, Advanced simulation and computing	**724,862**	**724,862**	**724,862**	—	**724,862**
Pit manufacturing and certification	194,484	194,484	199,484	5,000	199,484
Readiness campaigns					
Stockpile readiness	61,027	61,027	61,027		61,027
High explosives manufacturing and weapons assembly/disassembly readiness	12,093	12,093	11,093		12,093
Non-nuclear readiness	22,398	22,398	20,398	-2,000	20,398
Materials readiness	—				
Tritium readiness					
Operations and maintenance	56,134	56,134	56,134		56,134
Construction:					
98-D-125 Tritium extraction facility, Savannah River Site, Aiken SC	70,165	70,165	70,165		70,165
Total, Tritium readiness	**126,299**	**126,299**	**126,299**	—	**126,299**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Total, Readiness campaigns	**221,817**	**221,817**	**218,817**	**-2,000**	**219,817**
Total, Campaigns	**2,067,834**	**2,092,834**	**2,090,528**	**38,694**	**2,106,528**
Readiness in technical base and facilities					
Operations of facilities	949,920	994,920	989,920	72,000	1,021,920
Pantex				[+25,000]	
Y-12				[+20,000]	
Center for Combating Terrorism				[+27,000]	
Program readiness	208,089	208,089	208,089		208,089
Special projects	37,744	37,744	44,644	6,900	44,644
Material recycle and recovery	98,816	98,816	98,816		98,816
Containers	17,721	17,721	17,721		17,721
Storage	14,593	14,593	14,593		14,593
Nuclear weapons incident response	91,000	91,000	91,000		91,000
Subtotal, Readiness in technical base and facilities	**1,417,883**	**1,462,883**	**1,464,783**	**78,900**	**1,496,783**
Construction:					
03-D-101 Sandia underground reactor facility SURF, SNL, Livermore, CA	2,000	2,000	2,000		2,000

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
03-D-103 Project engineering and design various locations	15,539	15,539	17,839	1,500	17,039
03-D-121 Gas transfer capacity expansion, Kansas City Plant, Kansas City, MO	4,000	4,000	4,000		4,000
03-D-122 Prototype purification facility, Y-12 plant, Oak Ridge, TN	20,800	20,800	20,800		20,800
03-D-123 Special nuclear materials Requalification, Pantex plant, Amarillo, TX	3,000	3,000	3,000		3,000
02-D-103 Project engineering and design, various locations	27,245	27,245	24,945	-1,500	25,745
02-D-105 Engineering technology complex upgrade (ETCU), LLNL, Livermore, CA	10,000	10,000	10,000		10,000
02-D-107 Electrical power systems safety communications and bus upgrades, Nevada Test Site, NV	7,500	7,500	7,500		7,500
01-D-103 Project engineering and design (PE&D), various locations	6,164	6,164	6,164		6,164

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
01-D-107 Atlas relocation and operations Nevada Test Site, NV	4,123	4,123	4,123		4,123
01-D-108 Microsystem and engineering science applications (MESA), SNL, Albuquerque, NM	75,000	75,000	75,000		75,000
01-D-124 HEU storage facility, Y-12 plant, Oak Ridge, TN	25,000	25,000	25,000		25,000
01-D-126 Weapons Evaluation Test Laboratory Pantex Plant, Amarillo, TX	8,650	8,650	8,650		8,650
01-D-800 Sensitive compartmented information facility, LLNL, Livermore, CA	9,611	9,611	9,611		9,611
99-D-103 Isotope sciences facilities, LLNL, Livermore, CA	4,011	4,011	4,011		4,011
99-D-104 Protection of real property (roof reconstruction-Phase II), LLNL, Livermore, CA	5,915	5,915	5,915		5,915

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
99-D-127 Stockpile management restructuring initiative, Kansas City plant, Kansas City, MO	29,900	29,900	29,900		29,900
99-D-128 Stockpile management restructuring initiative, Pantex plant, Amarillo, TX	407	407	407		407
98-D-123 Stockpile management restructuring initiative, Tritium factory modernization and consolidation, Savannah River Site, Aiken, SC	10,481	10,481	10,481		10,481
96-D-102 Stockpile stewardship facilities revitalization, Phase VI, various locations	1,000	1,000	1,000		1,000
Total, Construction	**270,346**	**270,346**	**270,346**	—	**270,346**
Total, Readiness in technical base and facilities	**1,688,229**	**1,733,229**	**1,735,129**	**78,900**	**1,767,129**
Facilities and infrastructure recapitalization program	242,512	242,512	242,512		242,512

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Secure transportation asset					
Operations and equipment	100,863	100,863	102,578		100,863
Program direction	54,505	52,126	54,505	-2,379	52,126
Total, Secure transportation asset	**155,368**	**152,989**	**157,083**	**-2,379**	**152,989**
Safeguards and security					
Operations and maintenance	501,054	501,054	566,054		501,054
Construction:					
99-D-132 SMRI nuclear material safeguards and security upgrade project, LANL, Los Alamos, NM	8,900	8,900	8,900		8,900
Total, Safeguards and security	**509,954**	**509,954**	**574,954**	**——**	**509,954**
Subtotal, Weapons Activities	**5,898,364**	**5,965,985**	**6,019,173**	**115,215**	**6,013,579**
Adjustments					
Use of prior year balances	——			-82,953	-82,953
Less security charge for reimbursable work	-28,985	-28,985	-28,985		-28,985
Civilian personnel accrual accounting adjustment			-2,000		——
Total, Weapons Activities	**5,869,379**	**5,937,000**	**5,988,188**	**32,262**	**5,901,641**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Defense Nuclear Nonproliferation					
Nonproliferation and verification R&D					
Operation and maintenance	283,407	283,407	298,907		283,407
Total, Nonproliferation & verification R&D	**283,407**	**283,407**	**298,907**	——	**283,407**
Nonproliferation and international security	92,668	92,668	92,668		92,668
Nonproliferation programs with Russia					
International nuclear materials protection and cooperation	233,077	233,077	233,077		233,077
Russian transition initiatives	39,334	39,334	39,334		39,334
HEU transparency implementation	17,229	17,229	17,229		17,229
Accelerated disposition of HEU and plutonium			40,000		
International nuclear safety	14,576	11,576	14,576	-1,500	13,076
International safety and security programs			20,000		——
IAEA support			15,000		——
International export control support			5,000		——
International materials protection, control & accounting			5,000		
Elimination of weapons-grade plutonium production program	49,339	19,339	49,339		49,339

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Fissile materials disposition					
U S surplus materials disposition	194,000	198,000	194,000		194,000
Russian surplus materials disposition	98,000	88,000	98,000		98,000
Program oversight		[-10,000]			
Construction:					
01-D-407 Highly enriched uranium (HEU) blend down, Savannah River Site, Aiken, SC	30,000	30,000	30,000		30,000
99-D-141 Pit disassembly and conversion facility, Savannah River Site, Aiken, SC	33,000	33,000	33,000		33,000
99-D-143 Mixed oxide fuel fabrication facility, Savannah River Site, Aiken, SC	93,000	93,000	93,000		93,000
Total, Construction	**156,000**	**156,000**	**156,000**	—	**156,000**
Total, Fissile materials disposition	**448,000**	**442,000**	**448,000**	—	**448,000**
Total, Nonproliferation programs with Russia	**801,555**	**762,555**	**886,555**	**-1,500**	**800,055**
General reduction	—	—	-85,000		—
Program direction	—	—	—		—

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Subtotal, Defense Nuclear Nonproliferation	**1,177,630**	**1,138,630**	**1,193,130**	**-1,500**	**1,176,130**
Adjustments:					
Use of prior year balances	-64,000	-64,000	-64,000	-8,000	-72,000
Total, Defense Nuclear Nonproliferation	**1,113,630**	**1,074,630**	**1,129,130**	**-9,500**	**1,104,130**
Naval Reactors					
Naval reactors development					
Operation and maintenance	671,290	671,290	671,290		671,290
Construction:					
03-D-201 Cleanroom technology facility, West Mifflin, PA	7,200	7,200	7,200		7,200
01-D-200 Major office replacement building, Schenectady, NY	2,100	2,100	2,100		2,100
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID	2,000	2,000	2,000		2,000
Total, Construction	**11,300**	**11,300**	**11,300**	—	**11,300**
Total, Naval reactors development	**682,590**	**682,590**	**682,590**	—	**682,590**
Program direction	25,430	24,200	24,430	-1,230	24,200
Total, Naval Reactors	**708,020**	**706,790**	**707,020**	**-1,230**	**706,790**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Office Of The Administrator	347,705	315,929	335,705	-21,776	325,929
Civilian personnel accural adjustment				[-11,776]	
Overhead				[-10,000]	
Total, Office of the Administrator	**347,705**	**315,929**	**335,705**	**-21,776**	**325,929**
Total, National Nuclear Security Administration	**8,038,734**	**8,034,349**	**8,160,043**	**-244**	**8,038,490**
Defense Environmental Restoration & Waste Management					
Site/project completion					
Operation and maintenance	779,706	779,706	779,706		779,706
Construction:					
02-D-402 Intec cathodic protection system expansion project, INEEL, Idaho Falls, ID	1,119	1,119	1,119		1,119
02-D-420 Plutonium packaging and stabilization, Savannah River Site, Aiken, SC	2,000	2,000	2,000		2,000
01-D-414 Preliminary project, engineering and design (PE&D), various locations	5,125	5,125	5,125		5,125

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA	—	—	6,000		—
Total, Construction	**8,244**	**8,244**	**14,244**	—	**8,244**
Total, Site/project completion	**787,950**	**787,950**	**793,950**	—	**787,950**
Post 2006 completion					
Operation and maintenance	1,702,241	1,702,241	1,704,341		1,702,241
Uranium enrichment D&D fund contribution	—	—	—		—
Construction:					
93-D-187 High-level waste removal from filled waste tanks, Savannah River, Site, Aiken, SC	14,870	14,870	14,870		14,870
Office of river protection					
Operation and maintenance	226,256	226,256	226,256		226,256
Construction:					
03-D-403 Immobilized high-level waste interim storage facility, Richland, WA	6,363	6,363	6,363		6,363
01-D-416 Tank waste remediation system, Richland, WA	619,000	619,000	619,000		619,000

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
97-D-402 Tank farm restoration and safe operations, Richland, WA	25,424	25,424	25,424		25,424
94-D-407 Initial tank retrieval systems, Richland, WA	20,945	20,945	20,945		20,945
Total, Construction	**671,732**	**671,732**	**671,732**	—	**671,732**
Total, Office of river protection	**897,988**	**897,988**	**897,988**	—	**897,988**
Total, Post 2006 completion	**2,615,099**	**2,615,099**	**2,617,199**	—	**2,615,099**
Science and technology	92,000	92,000	92,000		92,000
Excess facilities	1,300	1,300	1,300		1,300
Multi-Site activities					
Uranium enrichment D&D fund contribution	442,000	442,000	441,000		442,000
Other activities	37,871	37,871	—		37,871
Total, Multi-Site activities	**479,871**	**479,871**	**441,000**	—	**479,871**
Safeguards and security	228,260	228,260	278,260		228,260
Program direction	358,227	344,000	396,098	-14,227	344,000
Civilian personnel accrual adjustment				[-14,227]	

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Subtotal, Defense Environmental Restoration and Waste Management	**4,562,707**	**4,548,480**	**4,619,807**	**-14,227**	**4,548,480**
Use of prior year balances	——	——	——	-34,000	-34,000
Civilian personnel accrual adjustment			-14,000		——
Less security charge for reimbursable work	-4,347	-4,347	-4,347		-4,347
Total, Defense Environmental Restoration And Waste Management	**4,558,360**	**4,544,133**	**4,601,460**	**-48,227**	**4,510,133**
Environmental Management Cleanup Reform					
Environmental management cleanup reform	800,000	800,000	1,000,000	182,000	982,000
Construction					
03-D-414, Preliminary project engineering and design, (PE&D) Savannah River Site, Aiken, SC				[8,800]	[8,800]
Defense Facilities Closure Projects					
Site closure	1,054,153	1,054,153	1,054,153		1,054,153
Safeguards and security	37,161	37,161	55,161	18,000	55,161
Total, Defense Facilities Closure Projects	**1,091,314**	**1,091,314**	**1,109,314**	**18,000**	**1,109,314**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Defense Environmental Management Privatization					
Privatization initiatives, various locations	**158,399**	158,399	158,399		158,399
Total, Defense Environmental Management	**6,608,073**	**6,593,846**	**6,869,173**	**151,773**	**6,759,846**
Other Defense Activities					
Energy security and assurance					
Energy security	23,411	23,411	——		23,411
Program direction	4,275	4,275	——		4,275
Total, Energy security and assurance	**27,686**	**27,686**	——	——	**27,686**
Office of Security					
Nuclear safeguards and security	91,102	91,102	156,102		91,102
Security investigations	45,870	45,870	45,870		45,870
Program direction	50,246	48,543	50,246	-1,703	48,543
Chief information officer					
Corporate management information program	——	——	——	——	——
Total, Office of Security	**187,218**	**185,515**	**252,218**	**-1,703**	**185,515**
Intelligence	41,559	41,246	43,559	-313	41,246

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Counterintelligence	46,083	45,955	48,083	-128	45,955
Independent oversight and performance assurance	22,615	22,430	22,615	-185	22,430
Environment, safety & health					
Environment, safety and health (defense)	81,892	81,892	86,892		81,892
Program direction	18,018	17,149	18,018	-869	17,149
Management efficiencies		-5,000			
Total, Environment, safety and health	**99,910**	**94,041**	**104,910**	**-869**	**99,041**
Worker and community transition					
Worker and community transition	22,965	22,965	22,965		22,965
Program direction	2,809	2,718	2,809	-91	2,718
Management efficiencies		-6,000		-6,000	-6,000
Total, Worker and community transition	**25,774**	**19,683**	**25,774**	**-6,091**	**19,683**
National security programs administration support	25,587	25,587	——		25,587
Office of hearings and appeals	3,136	2,933	3,136	-203	2,933
Subtotal, Other defense activities	**479,568**	**465,076**	**500,295**	**-9,492**	**470,076**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2003 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Adjustments:					
Use of prior year balances	-6,700	-6,700	-6,700		-6,700
Civilian personnel accrual adjustment			-3,000		——
Less security charge for reimbursable work	-712	-712	-712		-712
Total, Adjustments	**-7,412**	**-7,412**	**-10,412**	——	**-7,412**
Total, Other Defense Activities	**472,156**	**457,664**	**489,883**	**-9,492**	**462,664**
Defense Nuclear Waste Disposal					
Defense nuclear waste disposal	315,000	315,000	215,000	——	315,000
Total, Environmental and Other Defense Activities	**7,395,229**	**7,366,510**	**7,574,056**	**142,281**	**7,537,510**
TOTAL, Atomic Energy Defense Activities	**15,433,963**	**15,400,859**	**15,734,099**	**142,037**	**15,576,000**

ITEMS OF SPECIAL INTEREST

Management of the National Nuclear Security Administration

The National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), which was enacted on December 28, 2001, amended the National Nuclear Security Administration Act, at the request of the Administrator, to create a new position of Deputy Administrator for the National Nuclear Security Administration (NNSA). As of September 2002 the President has not submitted a nominee for that position, and it remains vacant. In July 2002, the Administrator of the NNSA resigned to take a new position. No nominee has been submitted for the Administrator position.

The NNSA was created by Congress to provide clear lines of authority and to streamline the management of the nonproliferation and defense programs at the Department of Energy. The conferees are concerned that without permanent leadership in these two senior NNSA positions, much of the progress that has been made at the NNSA, particularly in efforts to restructure the headquarters and field organizations, may be in jeopardy. The conferees support the work of the two programmatic deputies at the NNSA and believe that each has contributed significantly to the progress of the organization. Nevertheless, the conferees believe that the two most senior positions in the NNSA should be permanently filled. Any individual, no matter how talented and well-qualified, is at a disadvantage when serving in an acting capacity. The conferees strongly encourage the President to submit qualified nominees for the two senior NNSA positions as quickly as possible.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—National Security Programs Authorizations

National Nuclear Security Administration (sec. 3101)

The House bill contained a provision (sec. 3101) that would authorize $8.0 billion for the National Nuclear Security Administration (NNSA).

The Senate amendment contained a similar provision (sec. 3101) that would authorize $8.2 billion for the NNSA.

The conferees agree to include a provision that would authorize $8.0 billion for the activities of the NNSA after offsets, a reduction of $0.2 million to the budget request. The conferees note that each program is authorized at the full amount reflected in the individual program line prior to offsets. The conferees have reduced program direction accounts to reflect the proper accounting for the accrual of civilian personnel benefits under current law.

The budget request included $451.8 million for the high energy density physics campaign, of which $237.7 million was for operation and maintenance and $214.0 million was for construction of the National Ignition Facility (NIF). The conferees agree to include $487.5 million for the campaign, an increase of $35.7 million above the budget request for operation and maintenance to keep the cryogenic target and NIF diagnostics work on schedule to support the planned NIF ignition schedule, and to support the high average power laser and pettawatt laser initiatives.

The budget request included $194.5 million for the pit manufacturing and certification campaign. The conferees agree to include $199.5 million, an increase of $5.0 million above the budget request to support the Environmental Impact Statement for a new pit facility.

The budget request included $1.7 billion for Readiness in Technical Base and Facilities (RTBF) of which $949.9 million was for operation of facilities and $37.7 million was for special projects. The conferees agree to include $1.0 billion for operation of facilities, an increase of $72.0 million above the budget request of which $25.0 million is for the Pantex facility, $20.0 million is for the Y–12 facility, and $27.0 million is for the Nevada Test Site for the Center for Combating Terrorism. The conferees agree to provide $44.7 million for special projects, an increase of $6.9 million above the budget request for the annual payment to the Los Alamos Foundation.

The budget request included $14.6 million for International Nuclear Safety. The conferees agree to include $13.1 million, a reduction of $1.5 million to the budget request. The conferees do not support work related to the operational safety of commercial power reactors outside the Former Soviet Union, and that are not Soviet-designed reactors.

Defense environmental management (sec. 3102)

The House bill contained a provision (sec. 3102) that would authorize $7.4 billion for environmental restoration, waste management, and other defense activities.

The Senate amendment contained a provision (sec. 3102) that would authorize $6.8 billion for defense environmental management activities and a provision (sec. 3104) that would authorize $158.4 million for defense environmental management privatization.

The conferees agree to authorize $6.7 billion for defense environmental management, including defense environmental privatization, an increase of $151.8 million above the budget request. The conferees note that each program is authorized at the full amount reflected in the individual program line prior to offsets. The conferees have reduced program direction accounts to reflect the proper accounting for the accrual of civilian personnel benefits under current law to reflect the civil service accrual adjustment.

The budget request included $800.0 million for environmental management cleanup reform. An amended budget request included an additional $300.0 million. The conferees agree to include $982.0 million, an increase of $182.0 million above the budget request. The conferees note that this will fully fund the Department of Energy commitments to defense sites. In addition, the conferees have included a new construction line item within the environmental management cleanup reform account that would provide $8.8 million for project engineering and design funds, including $7.5 million for design of the salt waste processing facility, and $1.3 million for design of an additional glass waste storage building. Both projects are at the Savannah River Site.

The budget request included $1.1 billion for defense facilities closure projects. The conferees agree to authorize $1.1 billion, an

increase of $18.0 million above the budget request, for increased security costs at the Rocky Flats Site.

Other defense activities (sec. 3103)

The Senate amendment contained a provision (sec. 3103) that would authorize $489.9 million for other defense activities.

The House bill contained a provision (sec. 3102) that would authorize $7.4 billion for environmental and other defense activities including $457.7 million for other defense activities.

The conferees agree to authorize $462.7 million, a decrease of $9.5 million to the budget request. The conferees note that each program is authorized at the full amount reflected in the individual program line prior to offsets. The conferees have reduced program direction accounts to reflect the proper accounting for the accrual of civilian personnel benefits under current law.

The budget request included $99.9 million for environment, safety and health. The conferees agree to authorize $99.0 million. In addition to the $13.9 million contained in the budget request for enhanced medical screening, the conferees agree that an additional $2.5 million shall be available for a total of $16.4 million for enhanced medical screening of current and former workers at Department of Energy (DOE) nuclear facilities, including the three gaseous diffusion plants. The conferees believe DOE should promptly take the steps necessary to ensure that medical screening, including the use of advanced techniques for early lung cancer detection, is made available to current and former workers. The conferees encourage DOE to request sufficient funds in the future to conduct medical screening on all current and former workers who wish to have the screening.

The budget request included $25.8 million for the office of worker and community transition. The conferees include $19.7 million, a reduction of $6.1 million to the budget request.

Defense nuclear waste disposal (sec. 3104)

The Senate amendment contained a provision (sec. 3105) that would authorize $215.0 million for payment to the Nuclear Waste Fund (NWF) established by the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)).

The House bill contained a provision (sec. 3102) that would authorize $7.4 billion for environmental and other defense activities including $315.0 million for the payment to the NWF.

The conferees agree to authorize $315.0 million for the payment to the NWF, the amount of the budget request.

Subtitle B—Program Authorizations, Restrictions, and Limitations

Annual assessments and reports to the President and Congress regarding the condition of the United States nuclear weapons stockpile (sec. 3141)

The House bill contained a provision (sec. 3144) that would require an annual certification process regarding the safety, reliability, and performance of the U.S. nuclear stockpile. No later than January 15 of each year, the directors of the national laboratories and the Commander in Chief of the Strategic Command

would be required to submit to the Secretary of Energy and the Secretary of Defense, respectively, a certification regarding the safety, reliability, and performance of each nuclear weapon type in the active stockpile of the United States for which each official is responsible. No later than February 1 of each year, the secretaries would be required to submit to the President and the Congress each certification and report that they received together with any other information. The provision would also require that the head of each national laboratory would constitute and use a "red team" as part of the certification process to subject to challenge and provide peer review of matters in the certification. In addition, the head of each national laboratory and the Commander in Chief of the Strategic Command would each submit, with the certification, a report that would assess the Department of Energy stockpile stewardship program.

The Senate amendment contained no similar provision.

The Senate recedes with a number of clarifying amendments. The conferees intend that this provision should generally reflect the ongoing annual certification process of the active stockpile with the addition of the "red teams", including the participation of the Nuclear Weapons Council. The heads of the national security laboratories and the Commander in Chief of the Strategic Command would be required to submit their reports to the Secretary of Energy and the Secretary of Defense, respectively, and to the Nuclear Weapons Council by December 1 of each year beginning in 2003. The Secretaries of Energy and Defense would be required to submit their reports to the President by March 1 of each year beginning in 2004. The President would be required to submit his report, together with all reports required to be submitted to him, to Congress by March 15 of each year beginning in 2004. Each of the various reports would be required to be submitted in classified form but with each portion of the report marked to show its specific classification level.

The conferees note that the various reports should be brief and concise.

Plans for achieving enhanced readiness posture for resumption by the United States of underground nuclear weapons tests (sec. 3142)

The House bill contained a provision (sec. 3145) that would require the Secretary of Energy to submit to Congress with the fiscal year 2004 budget request a report on a plan and a budget to enhance underground nuclear test readiness. The report would detail the plan and budget required to achieve a one-year readiness posture for resumption of underground nuclear weapons tests.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Energy to submit to Congress with the fiscal year 2004 budget request a report on plans and cost estimates for achieving and maintaining test readiness postures of six, 12, 18, and 24 months. In addition, the report would include an assessment of the current test readiness posture of the United States and a recommendation by the Secretary in conjunction with the Secretary of Defense as to the optimal readiness posture for the United States.

The conferees encourage the Secretary of Energy to submit plans for achieving and the cost of achieving and maintaining the recommended test readiness posture with, or as part of, the report required by the provision.

Requirements for specific request for new or modified nuclear weapons (sec. 3143)

The Senate amendment contained a provision (sec. 3134) that would require the Secretary of Energy specifically to request funds before beginning research and development and engineering and production activities to support any new or modified nuclear weapon to meet a new military requirement. The provision would require a specific request in a specific line item or items at two distinct points in time for any work on new or modified nuclear weapons. This requirement is consistent with past practices at the Department of Energy (DOE), similar to current acquisition practices for major weapons systems at the Department of Defense (DOD), and similar to the way DOE budgets for construction projects.

A new weapon would be defined by the provision as any weapon that contains a pit or canned subassembly which is not in the stockpile or not in production on the date of enactment of this Act.

The provision would require funding for all research and development activity leading to and including phase 1, 2, and 2A, for new nuclear weapons, and for all research and development activity leading to and including phase 6.1, 6.2 and 6.2A for modified nuclear weapons, be requested in a dedicated line item for each such activity. Funding for work at phase 3 or 6.3 and beyond would be required to be in a single line item for each new or modified nuclear weapon.

The provision would not apply to the nuclear weapon stockpile life extension programs (SLEPs), to modification of an existing nuclear weapon solely to address safety or reliability concerns; or to modifications that would address proliferation concerns.

The provision would not be construed to modify, repeal, or in any way affect the provisions of section 3136 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103- 160).

The House bill contained no similar provision.

The House recedes with an amendment that would require that the budget request for any research and development activities for modifications to nuclear weapons at the 6.2A phase and earlier, and research and development activities for new nuclear weapons at the 2A phase and earlier, would be aggregated in a single line.

The conferees agree that nothing in this section may be construed to modify, repeal, or in any way affect the provisions of section 3136 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) relating to prohibitions on research and development of low-yield nuclear weapons.

Database to track notification and resolution phases of Significant Finding Investigations (sec. 3144)

The Senate amendment contained a provision (sec. 3133) that would establish at the national laboratories of the National Nuclear Security Administration (NNSA) a database to track the noti-

fication and resolution phases of significant finding investigations (SFIs). The provision would require the Administrator of the NNSA to develop and implement a laboratory-wide database to monitor the laboratories' progress on resolving SFIs. The Department of Energy's Inspector General (DOE–IG) recommended a central SFI tracking system in a December 2001 report. The DOE–IG determined that DOE was plagued with a system that frequently missed self-imposed time frames for initiating and conducting investigations of defects and malfunctions in nuclear weapons. The committee believes that DOE should place a high priority on correcting this problem.

The House bill contained no similar provision.

The House recedes.

Defense environmental management cleanup reform program (sec. 3145)

The House bill contained a provision (sec. 3151) that would require the Secretary of Energy to carry out a program to reform Department of Energy (DOE) environmental management activities using the funds for the reform account authorized under section 3102(a) of the House bill. The funds would be transferred to and merged with accounts for DOE environmental management activities. Upon transfer and merger of the funds, all funds in the merged account would be available to carry out the site performance management plan at each site. The Secretary would be authorized to transfer the merged funds, which include the reform account funds, to each site upon the execution of a site performance management plan and its submission to the congressional defense committees. The provision would also define "DOE environmental management activities" as environmental restoration and waste management activities of the Department of Energy in carrying out programs necessary for national security.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would prohibit funds in the reform account from being obligated for a particular site until 30 days after the Secretary submits to the congressional defense committees a description of the activities to be carried out at that site.

Limitation on obligation of funds for Robust Nuclear Earth Penetrator program pending submission of report (sec. 3146)

The Senate amendment contained a provision (sec. 3132) that would require the Secretary of Defense, in consultation with the Secretary of Energy, to submit a report to the congressional defense committees no later than February 3, 2003, on the Robust Nuclear Earth Penetrator (RNEP) that sets forth: (1) the military requirements for the RNEP; (2) the nuclear weapons employment policy for the RNEP; (3) the detailed categories or types of targets that the RNEP is designed to hold at risk; and (4) an assessment of the ability of conventional weapons to address the same types of categories of targets that the RNEP is designed to hold at risk.

The House bill contained no similar provision.

The House recedes with an amendment that would fully fund the RNEP but prohibit obligation of any fiscal year 2003 funds for

the RNEP until 30 days after the study is submitted to the Committees on Armed Services of the Senate and the House of Representatives.

Subtitle C—Proliferation Matters

Transfer to National Nuclear Security Administration of Department of Defense's Cooperative Threat Reduction program relating to elimination of weapons grade plutonium production in Russia (sec. 3151)

The House bill contained a provision (sec. 3142) that would transfer to the National Nuclear Security Administration (NNSA) the Department of Defense (DOD) Cooperative Threat Reduction (CTR) program to eliminate weapons grade plutonium in Russia and all associated program funds. The funds transferred would remain subject to the limitations applied to such funds before the transfer.

The Senate amendment contained a similar provision (sec. 3151) that would transfer the program from DOD to the NNSA, with all associated program funds but would make the program funds available to the NNSA notwithstanding any provision of law that limits expenditure of DOD funds. The NNSA could use the funds to design, construct, or refurbish, fossil fuel energy plants in Russia to provide alternative sources of energy to the Russian reactors that produce weapons grade plutonium and energy. The funds could also be used for limited safety upgrades of the Russian reactor plants to permit safe shutdown.

The Senate amendment also contained a provision (sec. 3136) that would establish limitations on the funds after they were transferred to the NNSA.

The House recedes with amendments. The conferees agree to include a single provision that will transfer the funds for the program to eliminate weapons grade plutonium in Russia from DOD to the NNSA, removing all prior limitations and establish new limitations. The funds would be available to design, refurbish, or both, fossil fuel energy plants and to carry out limited safety upgrades that would not extend the life of the plants. The provision would prohibit the Administrator from obligating or expending more than $100.0 million for the program until 30 days after the Administrator submits a copy of an agreement or agreements with the Russian Federation to shut down the three plutonium-producing reactors and submits a plan to achieve international cost sharing and participation in the program.

The agreements must specify: (1) a commitment to shut down and the date or dates on which the Russian reactors will be shut down; (2) the schedule with milestones to shut down each reactor; (3) the schedule and milestones for the Russian participation in the construction or refurbishment of the fossil fuel energy plants; (4) a suitable access arrangement for the sites; (5) an arrangement for audit and examination procedures; and (6) any cost-sharing arrangements between the United States and the Russian Federation.

Repeal of requirement for reports on obligation of funds for programs on fissile materials in Russia (sec. 3152)

The House bill contained a provision (sec. 3143) that would repeal the semi-annual report on the Department of Energy fissile Materials Protection, Control, and Accounting (MPC&A) program required by section 3131 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106). This report is no longer needed as the information is now included in the annual MPC&A report.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Expansion of annual reports on status of nuclear materials protection, control, and accounting programs (sec. 3153)

The Senate amendment contained a provision (sec. 3153) that would amend the annual reporting requirement for the Department of Energy (DOE) Materials Protection, Control, and Accounting (MPC&A) program to include countries other than Russia. The DOE MPC&A program works to protect weapons grade nuclear materials in the countries of the Former Soviet Union, including Russia. The provision would also amend the MPC&A report to require the Secretary of Energy to identify the nature of the work performed in each country outside of Russia, the amount of material secured, the amount of material remaining to be secured, and the total amount spent by country.

The House bill contained no similar provision.

The House recedes.

Testing of preparedness for emergencies involving nuclear, radiological, chemical, or biological weapons (sec. 3154)

The Senate amendment contained a provision (sec. 3154) that would extend the time that exercises could be carried out under the program for testing and improving the responses of Federal, State, and local agencies to emergencies involving biological, chemical, nuclear, and radiological weapons and related materials from five fiscal years, beginning in fiscal year 1997, to 17 fiscal years, ending in fiscal year 2013.

The House bill contained no similar provision.

The House recedes.

Cooperative program on research, development, and demonstration of technology regarding nuclear or radiological terrorism (sec. 3155)

The Senate amendment contained a provision (sec. 3155) that would direct the Administrator of Nuclear Security to carry out a program of research and technology for protection from nuclear or radiological terrorism in support of homeland security and counterterrorism. As part of the program, the Administrator would coordinate this program with the Office of Homeland Security, the Nuclear Regulatory Commission, the Departments of Defense, State, and Commerce, and the International Atomic Energy Agency. In addition, the Administrator would cooperate with the Russian Federation on research and demonstration of these technologies and, where feasible, provide assistance to other countries

on matters relating to nuclear or radiological terrorism. The amendment would also authorize the Office of Defense Nuclear Nonproliferation in the National Nuclear Security Administration to use up to $15.0 million for the development of a new generation of radiation detectors for homeland defense under this program.

The House bill contained no similar provision.

The House recedes with an amendment that would direct the Administrator to establish a cooperative program with the Russian Federation on the research, development, and demonstration of technologies for protection from and response to nuclear or radiological terrorism. The program would conduct research on technologies that could be used for the detection, identification, assessment, control, and disposition of radiological materials that could be used for nuclear terrorism. The program would also provide for the demonstration of the technologies developed by this program to other countries, in cooperation with the Russian Federation. The Administrator would be required to coordinate these research, development, and demonstration efforts with the Department of Energy's Office of Environment, Safety, and Health; the Nuclear Regulatory Commission; the Departments of State, Defense, and Commerce; and the International Atomic Energy Agency. The Administrator would be authorized to use up to $15.0 million to carry out the activities under this program.

Matters relating to the International Materials Protection, Control, and Accounting program of the Department of Energy (sec. 3156)

The Senate amendment contained a provision (sec. 3156) that would authorize the Secretary of Energy to expand the scope of the International Materials Protection, Control and Accounting (MPC&A) program to countries outside Russia and the independent states of the Former Soviet Union and require the Secretary to notify Congress 30 days after funds are obligated for these purposes. The provision would also: (1) authorize the Secretary to provide technical assistance to the Secretary of State to support his efforts to assist nuclear weapons states' nuclear materials security program; (2) require the Secretary to develop a plan to accelerate the conversion or return of weapons-usable nuclear materials to the country of origin; (3) establish within the MPC&A program a radiological dispersal device MPC&A program and require a feasibility study on such a program; and (4) provide a sense of Congress encouraging support of the Convention on Physical Protection of Nuclear Materials. The provision would authorize the Office of Defense Nuclear Nonproliferation in the National Nuclear Security Administration to use up to $5.0 million for these activities.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the Secretary of Energy to establish within the MPC&A program a new program that would protect, control, and account for radiological dispersal device materials. The provision would also encourage the Secretary to work cooperatively with the Russian Federation to develop a sustainable nuclear materials protection, control and accounting system for nuclear materials in Russia no later than January 1, 2013. This system should be designed to be sup-

ported, maintained and operated solely by the Russian Federation. In an effort to support this activity, the provision would also require the Secretary to work with the Russian Federation to identify transparency measures adequate to provide the United States with the assurances that the program is meeting this goal. Up to $5.0 million may be used to carry out the new MPC&A program on radiological dispersal device materials activities.

The conferees expect the United States' support for the Russian Federation MPC&A system should be completed and the system should be sustainable by Russia no later than January 1, 2013. The conferees encourage the Secretary to accelerate efforts to resolve outstanding transparency issues for the MPC&A program to facilitate the required assurances necessary to monitor the progress and successes of this important national security program.

The conferees have agreed to divide this provision into three provisions (secs. 3156, 3160, 3161).

Accelerated disposition of highly enriched uranium (sec. 3157)

The Senate amendment contained a provision (sec. 3157) that would set forth the sense of Congress that the Secretary of Energy, in consultation with the Secretaries of State and Defense, develop a comprehensive program to encourage all countries with nuclear materials to adhere to or adopt International Atomic Energy Agency standards on The Physical Protection of Nuclear Material and Nuclear Facilities (INFCIRC/225/Rev.4) relating to the security of stockpiles of highly enriched uranium and plutonium. The provision would also authorize the Secretary of Energy to carry out a program with the Russian Federation and any other nation with highly enriched uranium to pursue options for blending the uranium so that the enrichment of uranium U–235 is below 20 percent. As part of these options, the Department of Energy (DOE) Material Consolidation and Conversion program would be expanded, and the Secretary of Energy could provide financial and other incentives to Russia for the consolidation of Russian highly enriched uranium located throughout the Russian Federation. The Secretary would be required to report to Congress no later than July 1, 2003, on the status of this program. The provision would also permit the Secretary to purchase highly enriched uranium or weapons grade plutonium from any country and transport it to and store it in the United States. The Secretary would be encouraged to establish similar transactions between any nation and Russia for storage and blending highly enriched uranium. The provision would allow the Secretary to pay such nation's transportation costs. Finally, the provision would provide that up to $40.0 million could be used to carry out the activities in this section.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the Secretary of Energy to pursue a program with the Russian Federation on options for blending highly enriched uranium to reduce the concentration of U–235 below 20 percent. These options would include expanding the Material Consolidation and Conversion program within DOE to include additional facilities in Russia for blending the highly enriched uranium and identifying more centralized secure storage facilities in Russia for the secure storage of

materials awaiting blend down. The conferees note that both the additional blending facilities and centralized storage facilities must already have complete materials, protection, control and accounting upgrades before highly enriched uranium is blended down or stored at these facilities. The amendment also states that nothing in this program would impact the existing Highly Enriched Uranium Disposition Agreement between the United States and Russia and that the uranium blended down under this program would not be released for sale until the earlier date of either one of the following: (1) January 1, 2014; or (2) the date on which the Secretary certifies that such uranium can be absorbed into the global market without undue disruption to the uranium mining, conversion, and enrichment industry in the United States. Finally, the amendment would enable up to $10.0 million in fiscal year 2003 to be used for activities under this program.

The conferees direct the Secretary of Energy to provide to the congressional defense committees, no later than July 1, 2003, a report on the status of the program with the Russian Federation on options for blending highly enriched uranium so that the concentration of U–235 is below 20 percent. The report should identify the scope of the program and the implementing costs, as well as describe the additional facilities that will participate in the expanded material consolidation and conversion effort.

Strengthened international security for nuclear materials and security of nuclear operations (sec. 3158)

The Senate amendment contained a provision (sec. 3159) that would require the Secretary of Energy to submit to Congress a report on options for an international program to develop strengthened security for all nuclear materials and safety and security for current nuclear operations. As part of the report, the Secretary would consult with the Nuclear Regulatory Commission, the Russian Federation, and the International Atomic Energy Agency. The report would be due 270 days after the date of enactment of this Act. The provision would also direct the Director of the Office of Nuclear Energy Science and Technology and the Secretary to pursue, with the Russian Ministry of Atomic Energy, joint programs on the development of proliferation-resistant nuclear energy technologies, including advanced fuel cycles. In addition, the provision would authorize the Secretary to provide assistance to nuclear facilities abroad on the interdiction of hostile insiders to prevent the disablement of these facilities' vital operations. The provision would authorize the Secretary to carry out a joint program with the Russian Federation and other countries to address and mitigate damage from aircraft impacts on nuclear facilities overseas. Finally, the amendment would authorize the Secretary of Energy to expand and accelerate the programs of the Department of Energy to support the International Atomic Energy Agency in its efforts to strengthen international nuclear safety and security. Up to $35.0 million would be available to carry out these programs in fiscal year 2003.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Energy to submit to Congress a report on options for

an international program to develop strengthened security for nuclear reactors and associated materials. This report would be due 270 days after enactment of this Act. In evaluating the options for an international program, the Secretary would be required to consult with the Nuclear Regulatory Commission and the International Atomic Energy Agency on the feasibility and advisability of actions to reduce the risks associated with terrorist attacks on nuclear reactors outside the United States. The provision would also direct the Secretary of Energy to pursue, with the Russian Ministry of Atomic Energy, joint programs on the development of proliferation-resistant nuclear energy technologies, including advanced fuel cycles. Up to $10.0 million would be available for implementing this joint program with Russia. Finally, the provision would authorize the Secretary to provide technical assistance to nuclear facilities abroad on the interdiction of hostile insiders at such facilities and efforts to prevent the disablement of vital systems at these facilities.

Export control programs (sec. 3159)

The Senate amendment contained a provision (sec. 3160) that would authorize the Secretary of Energy to pursue, in the former Soviet Union and regions of concern, principally in South Asia, the Middle East, and the Far East, options for accelerating programs that assist countries in such regions to improve their domestic export control programs for materials, technologies, and expertise relevant to the construction or use of a nuclear or radiological dispersal device. The amendment would authorize up to $5.0 million for this effort.

The House bill contained no similar provision.

The House recedes with a clarifying amendment that would authorize the Secretary of Energy, in coordination with the Secretary of State, to pursue, in the Former Soviet Union and other regions of concern, options for accelerating programs that assist countries in these regions to improve their domestic export control programs for materials, technologies, and expertise relevant to the construction or use of a nuclear or radiological dispersal device. Up to $5.0 million may be available for carrying out this effort in fiscal year 2003.

Plan for accelerated return of weapons-usable nuclear material (Sec. 3160)

The Senate amendment contained a provision (sec. 3156) that would authorize the Secretary of Energy to expand the scope of the International Materials Protection, Control and Accounting (MPC&A) program to countries outside Russia and the independent states of the Former Soviet Union and require the Secretary to notify Congress 30 days after funds are obligated for these purposes. The provision would also: (1) authorize the Secretary to provide technical assistance to the Secretary of State to support his efforts to assist nuclear weapons states' nuclear materials security programs; (2) require the Secretary to develop a plan to accelerate the conversion or return of weapons-usable nuclear materials to the country of origin; (3) establish within the MPC&A program a radiological dispersal device MPC&A program and require a feasibility

study on such a program; and (4) provide a sense of Congress encouraging support of the Convention on Physical Protection of Nuclear Materials. The provision would authorize the Office of Defense Nuclear Nonproliferation in the National Nuclear Security Administration to use up to $5.0 million for these activities.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Energy to develop, with the Russian Federation, a plan to accelerate the return to Russia of all weapons-usable nuclear materials located in research reactors and other facilities outside Russia that were supplied by the Former Soviet Union. The plan should include the costs and schedules associated with assisting these research reactors and facilities in transferring highly enriched uranium to Russia and providing these facilities and research reactors with MPC&A upgrades until the weapons-usable nuclear materials are returned to Russia.

Sense of Congress on amendment of Convention on Physical Protection of Nuclear Materials (sec. 3161)

The Senate amendment contained a provision (sec. 3156) that would authorize the Secretary of Energy to expand the scope of the International Materials Protection, Control and Accounting (MPC&A) program to countries outside Russia and the independent states of the Former Soviet Union and require the Secretary to notify Congress 30 days after funds are obligated for these purposes. The provision would also: (1) authorize the Secretary to provide technical assistance to the Secretary of State to support his efforts to assist nuclear weapons states' nuclear materials security programs; (2) require the Secretary to develop a plan to accelerate the conversion or return of weapons-usable nuclear materials to the country of origin; (3) establish within the MPC&A program a radiological dispersal device MPC&A program and require a feasibility study on such a program; and (4) provide a sense of Congress encouraging support of the Convention on Physical Protection of Nuclear Materials. The provision would authorize the Office of Defense Nuclear Nonproliferation in the National Nuclear Security Administration to use up to $5.0 million for these activities.

The House bill contained no similar provision.

The House recedes with an amendment that would set forth the sense of Congress that the President should encourage amendment of the Convention on the Physical Protection of Nuclear Materials to: (1) apply to both domestic and international use and transport of nuclear materials; (2) incorporate fundamental practices for the physical protection of these materials; and (3) address protection against sabotage involving nuclear materials.

Sense of Congress on program to secure stockpiles of highly enriched uranium and plutonium (sec. 3162)

The Senate amendment contained a provision (sec. 3157) that would contain a sense of Congress that the Secretary of Energy, in consultation with the Secretaries of State and Defense, develop a comprehensive program to encourage all countries with nuclear materials to adhere to or adopt International Atomic Energy Agency standards on The Physical Protection of Nuclear Material and

Nuclear Facilities (INFCIRC/225/Rev.4) relating to the security of stockpiles of highly enriched uranium and plutonium. The amendment would also authorize the Secretary of Energy to carry out a program with the Russian Federation and any other nation with highly enriched uranium to pursue options for blending the uranium so that the uranium of U–235 is below 20 percent. As part of these options, the Department's Material Consolidation and Conversion program would be expanded, and the Secretary of Energy could provide financial and other incentives to Russia for the consolidation of Russian highly enriched uranium located throughout the Russian Federation. The Secretary would be required to report to Congress no later than July 1, 2003, on the status of this program. The provision would also permit the Secretary to purchase highly enriched uranium or weapons grade plutonium from any country and transport it to and store it in the United States. Alternatively, the Secretary may encourage a similar transaction between any nation and Russia, and the Secretary would have the option to pay the nation's costs to transport these nuclear materials to Russia as well as the blenddown costs. Finally, the provision would enable up to $40.0 million to be used to carry out the activities in this section.

The House bill contained no similar provision.

The House recedes with an amendment that would set forth the sense of Congress that the Secretary of Energy, in consultation with the Secretaries of State and Defense, develop a comprehensive program of activities to encourage all countries with nuclear materials to adhere to or adopt International Atomic Energy Agency standards on The Physical Protection of Nuclear Material and Nuclear Facilities (INFCIR/225/Rev.4) relating to the security of stockpiles of highly enriched uranium and plutonium.

Subtitle D—Other Matters

Indemnification of Department of Energy contractors (sec. 3171)

The Senate amendment contained a provision (sec. 3171) that would amend section 170 d.(1)(A) of the Atomic Energy Act of 1954, 42 U.S.C. 2210(d)(1)(A), by extending the authority of the Department of Energy to extend indemnification coverage to its contractors from August 1, 2002 to August 1, 2012.

The House bill contained no similar provision.

The House recedes with an amendment that would extend the authority to December 31, 2004.

Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico (sec. 3172)

The Senate amendment contained a provision (sec. 3174) that would authorize $6.9 million to be paid by the Department of Energy (DOE) to the Los Alamos Education Foundation in fiscal year 2003. The Foundation was established by section 3167(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85). The Foundation provides for educational support to students and schools in the Los Alamos area.

The provision would also amend section 3136 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107-

107) to allow the National Nuclear Security Administration (NNSA) to extend the current contract with the Los Alamos Public Schools to provide for cost of living adjustments for the school teachers through fiscal year 2013. The current contract between the NNSA and the Los Alamos schools, pursuant to which this annual payment is made, expires at the end of fiscal year 2003. This amendment is necessary to allow the NNSA to include the annual payment in its fiscal year 2004 budget request and in subsequent years' budget requests.

The budget request for fiscal year 2003 for the NNSA includes $8.0 million for the Los Alamos Public Schools to offset the cost of living for school teachers teaching in the public schools.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the duration of the contract extension to 2005 and that would direct the Secretary of Energy, in conjunction with the Administrator of the National Nuclear Security Administration, to look at alternatives to the annual authorization and appropriation process to obtain funds to offset the cost of living for school teachers in the Los Alamos Public Schools. While the conferees recognize the need for this payment as well as the high cost of living in Los Alamos, the conferees urge DOE to identify and fund a mechanism to bring this annual process to a close in a reasonable amount of time. In exploring options, the Secretary should look at a buy-out option in the form of several larger payments over a limited number of years that would shift these annual payments to the Los Alamos school system, to local government, or to some other local entity.

Worker health and safety rules for Department of Energy nuclear facilities (sec. 3173)

The Senate amendment contained a provision (sec. 3172) that would add a new section 234C, following 234B of the Atomic Energy Act of 1954 (42 U.S.C. 2282b). This new section would authorize the Secretary of Energy to assess civil penalties against Department of Energy (DOE) contractors who have entered into an agreement of indemnification under section 170d of the Atomic Energy Act of 1954, for violation of any regulation relating to industrial or construction health and safety promulgated by DOE. The provision would also direct the Secretary to promulgate industrial and construction health safety regulations that incorporate the provisions of DOE Order No. 440.1A (1998) no later than 270 days from the date of enactment of this Act. These regulations would go into effect one year after the date of promulgation of the regulations. The provision would cap any fines at $0.1 million per violation and would direct the Secretary to provide in the regulations a variance and exemption process for national security related work and at sites and facilities to be closed or transferred. The provision would cap total fines and penalties under 234A, 234B, and 234C, for nonprofit contractors so that the total fees assessed would not exceed the amount of the annual fee paid by DOE. Activities under the Naval Nuclear Propulsion Program would be excluded from the program.

The House bill contained no similar provision.

The House recedes with an amendment that would direct the Secretary to promulgate regulations for industrial and construction health and safety. The regulations promulgated would provide a level of protection for workers that is substantially equivalent to current levels of protection. The conferees note that the DOE contractors currently operate under DOE order 440.1A (1998) which provides an adequate level of safety.

The Secretary would also be required to establish a mechanism to provide flexibility to implement the regulations. The regulations should establish a process that would allow sites to implement the regulations to account for unique site or mission circumstances or particular work environments and would include national security missions and requirements at closing facilities. In establishing a process for flexible implementation, the Secretary should ensure that there is no diminution of worker health and safety.

The provision would direct the Secretary to assess either civil penalties or contract penalties, but not both, for any individual action and would prohibit the Secretary from assessing a penalty under both 234A and 234C for the same action. The maximum fine for each violation would be $70,000.

Extension of authority to appoint certain scientific, engineering, and technical personnel (sec. 3174)

The conferees agree to include a provision that would extend the current Department of Energy authority to appoint certain specific scientific engineering and technical personnel from September 30, 2002 to September 30, 2004.

One-year extension of panel to assess the reliability, safety, and security of the United States nuclear stockpile (sec. 3175)

The House bill contained a provision (sec. 3141) that would extend the panel to assess the reliability, safety, and security of the United States nuclear stockpile through April 1, 2003. The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would direct the panel to use the extension to assess progress toward meeting the expectations set forth by the panel in previous reports. The panel would submit to the Committees on Armed Services of the Senate and the House of Representatives, by February 1, 2003, a report on the assessment, together with any recommendations for corrective legislative action where progress has been unsatisfactory.

Report on status of environmental management initiatives to accelerate the reduction of environmental risks and challenges posed by the legacy of the Cold War (sec. 3176)

The House bill contained a provision (sec. 3152) that would require the Secretary of Energy to prepare a report on the status of environmental initiatives being undertaken to accelerate cleanup and reduce environmental risks. The report should include a discussion of the progress of such initiatives.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle E—Disposition of Weapons-Usable Plutonium at Savannah River, South Carolina

Findings (sec. 3181)

The Senate amendment contained a provision (sec. 3181) that would set forth a series of findings with respect to the September 2000 agreement between the Russian Federation and the United States to manage and dispose of 34 tons of excess weapons grade plutonium.

The House bill contained no similar provision.

The House recedes.

Disposition of weapons-usable plutonium at Savannah River Site (sec. 3182)

The Senate amendment contained a provision (sec. 3182) that would direct the Secretary of Energy to submit, by February 1, 2003, a plan to Congress for the construction and operation of a Mixed Oxide (MOX) plutonium facility at the Savannah River Site. The plan would include a schedule for construction and operations to achieve by January 1, 2009, and thereafter, the MOX production objective, to ensure that one ton of MOX fuel has been produced by December 31, 2009, and that all 34 metric tons of defense plutonium and defense plutonium materials at the Savannah River Site would have to be processed into MOX fuel by January 1, 2019. If in any year the Secretary of Energy does not comply with the plan and the schedule, the Secretary would have to make economic assistance payments to the State of South Carolina at the rate of $1.0 million per day but not to exceed $100.0 million in any year. This payment would be subject to authorization and appropriation.

At various stages in the process, if the Secretary of Energy is not in compliance with the plan or any subsequent corrective action plans, the Secretary would also have to remove all or part of the defense plutonium materials that had been shipped to the Savannah River Site in South Carolina.

If an injunction is obtained by the State of South Carolina that would prevent the Department of Energy from taking actions necessary to meet the deadlines of the provision, any such deadlines would be extended for the period of time during which the court-ordered injunction is in effect.

The provision would also require that if any MOX fuel remains at the MOX facility one year after the MOX facility ceases operation, the Secretary must submit to Congress a report detailing when such fuel would be transferred for use in commercial nuclear reactors or a plan for its removal from the State of South Carolina.

The House bill contained no similar provision.

The House recedes with an amendment providing that any requirement to pay economic assistance payments to the State of South Carolina may be made from any funds available to the Secretary without the requirement for further authorizations or appropriations for such payments and an additional MOX processing requirement for the period between 2011 and 2017.

Study of facilities for storage of plutonium and plutonium materials at Savannah River Site (sec. 3183)

The Senate amendment contained a provision (sec. 3183) that would require the Defense Nuclear Facilities Safety Board (DNFSB) to conduct a study of the adequacy of the K-Area Materials Storage (KAMS) facility and related facilities for the storage of defense plutonium materials in connection with the Department of Energy plutonium disposition program. The DNFSB would be required to complete the study and submit a report on the study to Congress within one year of the date of enactment of this Act. The DNFSB should include in the report any proposals to improve the safety, reliability, or functionality of the KAMS facility. Not later than six months after the report is submitted, the DNFSB and the Secretary of Energy shall each submit a report on the actions taken in response to the proposals, if any.

The House bill contained no similar provision.

The House recedes with a technical amendment.

LEGISLATIVE PROVISIONS NOT ADOPTED

Availability of funds for environmental management cleanup reform

The Senate amendment contained a provision (sec. 3131) that would require the Secretary of Energy to establish and publish selection criteria for the environmental management cleanup reform account. The provision would also provide the Secretary of Energy authority to dissolve the account, in the event the Secretary opts not to establish selection criteria, and redistribute the funds in the account to the sites and projects on a pro rata basis according to fiscal year 2002 funding levels. In addition, the provision would require the Secretary to submit to the congressional defense committees a list of the activities at each site that would be funded by this account 30 days before such funds were obligated or expended.

The House bill contained no similar provision.

The Senate recedes.

The Department of Energy (DOE) budget request for fiscal year 2003 included $800.0 million for a new initiative, the environmental cleanup reform account. An amended budget request sought an additional $300.0 million for a total request of $1.1 billion. According to the DOE budget justification material, the purpose of the new account is "to enable the Department, the States, and the American taxpayer to begin realizing the benefits immediately of alternative cleanup approaches that will produce more real risk reduction, accelerate cleanup, or achieve much needed cost and schedule improvements."

DOE has signed letters of intent, for all but $2.0 million of the $1.1 billion in the cleanup reform account, in the absence of any authorization or appropriation of funds for the reform account. While the conferees support the idea of DOE, the States, and the EPA reviewing the various cleanup agreements to ensure that the cleanup at each site is being conducted as efficiently as possible, the conferees note that DOE has not demonstrated how creation of the reform account will accomplish the goal set forth in the fiscal year 2003 budget justification material.

The conferees note section 3176 of this Act would require the Secretary of Energy to provide a report on the progress being made to streamline the cleanup process, reduce environmental risks quickly, and to provide an assessment of the progress being made to improve the responsiveness and effectiveness of the environmental management program. The conferees expect DOE to provide in the report evidence that this accelerated cleanup program will result in real risk reduction and much needed cost and schedule improvements. This report is due with the submission of the fiscal year 2004 budget request for DOE.

Disposition of plutonium in Russia

The Senate amendment contained a provision (sec. 3158) that would encourage the Secretary of Energy to continue to support the Secretary of State in negotiations with the Ministry of Atomic Energy of the Russia Federation to finalize the terms of the Russian plutonium disposition program. As part of this support, the Secretary of Energy would be authorized to consider using financial incentives to reach a successful agreement with the Ministry of Atomic Energy. The amendment also identifies various elements that would be required as part of the Russian plutonium disposition program including: (1) transparent, verifiable steps; (2) proceeding at approximately the equivalent rate of the United States program for the disposition of plutonium; (3) cost-sharing among various countries; (4) contributions by the Russian Federation; (5) steps to confirm with high confidence that the disposition of plutonium of the Russian Federation will be achieved; and (6) possible research on more speculative, long-term options for the future disposition of additional Russian plutonium.

The House bill contained no similar provision.

The Senate recedes.

The conferees note that while the Russian plutonium disposition program is one of the most critical nonproliferation programs underway between the United States and the Russian Federation, the conferees remain concerned with the slow pace of the Russian program. The conferees believe it is imperative that the Secretary of State work as assiduously as possible to conclude negotiations with the Russian Federation as quickly as possible. The conferees believe, however, that any negotiation should include transparent and verifiable steps to enable the United States to have the necessary assurances that the schedule for the disposition of plutonium will be achieved.

The conferees feel strongly that the program must have cost-sharing arrangements among participating countries and the Russian Federation.

In addition, the conferees believe that the U.S. and Russian programs should proceed at a rate that is generally equivalent to one another. Unfortunately, however, the United States program is lagging behind the Russian lead test assembly program. The conferees note that pushing forward with the U.S. lead test assembly effort will enable the U.S. plutonium disposition program to reach an essential milestone that is important for the success of both the U.S. plutonium disposition program and the Russian disposition plutonium program.

Finally, the conferees direct the Secretary of Energy to conduct research on more speculative, long-term options for the future disposition of the plutonium of the Russian Federation.

Improvements to nuclear materials protection, control, and accounting program of the Russian Federation

The Senate amendment contained a provision (sec. 3161) that would direct the Secretary of Energy to work with the Ministry of Atomic Energy of the Russian Federation to update and improve the Joint Action Plan for the Materials Protection, Control, and Accounting Program to focus on achieving, as soon as practicable, but no later than January 1, 2012, a sustainable nuclear materials protection, control, and accounting system for the nuclear materials of the Russian Federation. The amendment would require the Secretary to work with the Russian Federation to accelerate nuclear materials protection, control and accounting programs at Russian defense nuclear facilities and to identify various transparency alternatives to assure the United States that the program is meeting the goals for improved nuclear materials protection, control, and accounting. The provision would also set forth the sense of Congress that the Secretary should enhance its partnership with Russia to increase the pace and effectiveness of the nuclear materials protection, control, and accounting program and identify the assistance, Russian contribution, and transparency milestones used to assess progress in this program.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree to consolidate all matters dealing with materials protection, control, and accounting in one provision.

One-year extension of authority of Department of Energy to pay voluntary separation incentive payments

The Senate amendment contained a provision (sec. 3173) that would amend section 3161(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) to provide a one-year extension of the Department of Energy (DOE) authority to make voluntary separation incentive payments. The committee is aware that DOE would like to extend the ability to encourage voluntary separations and avoid any future need to conduct a reduction in force. This provision would allow DOE to do long-term planning for reductions as a result of future reorganizations.

The House bill contained no similar provision.

The Senate recedes.

Prohibition on development of low-yield nuclear weapon

The House bill contained a provision (sec. 3146) that would repeal section 3136 of the National Defense Authorization Act for Fiscal Year 1994 (42 U.S.C. 2121 note) and would prohibit the Secretary of Energy from conducting development which could lead to the production of a low-yield nuclear weapon.

The Senate amendment contained no similar provision.

The House recedes.

The conferees recognize the importance of exercising the nuclear weapon design process in order to maintain skills and capa-

bilities critical to national security. The conferees further understand that many of the Nation's weapon designers with actual test experience have retired or will soon be eligible for retirement. The conferees believe the National Nuclear Security Administration must move aggressively to transfer skills to the next generation.

Requirement for authorization by law for funds obligated or expended for Department of Energy national security activities

The Senate amendment contained a provision (sec. 3135) that would amend section 660 of the Department of Energy Organization Act, 42 U.S.C. 7270, to add a new subsection that would require a specific authorization for national security programs and activities at the Department of Energy (DOE) before funds may be obligated or expended.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree that section 660 of the Department of Energy Organization Act applies to all programs and funds at the Department of Energy and that this section established the requirement for an authorization of appropriations for all programs and activities at DOE as a condition of the obligation and expenditure of funds. As a result, the Senate provision, which applied to national security activities, is not needed because national security activities and programs are already included in the scope of section 660.

Utilization of Department of Energy national laboratories and sites in support of counterterrorism and homeland security activities

The Senate amendment contained a provision (sec. 3163) that would authorize the Department of Energy (DOE) to enter into joint sponsorship agreements at DOE laboratories with state, local, or other federal agencies and establish the parameters under which the joint partnership agreements would operate.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

LEGISLATIVE PROVISIONS ADOPTED

Authorization (sec. 3201)

The House bill contained a provision (sec. 3201) that would authorize $19.0 million for the Defense Nuclear Facilities Safety Board.

The Senate amendment contained a similar provision (sec. 3201) that would authorize $19.5 million.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authorization of appropriations for the formerly used sites remedial action program of the Corps of Engineers

The Senate amendment contained a provision (sec. 3202) that would authorize $140.0 million for fiscal year 2003 for the Department of the Army.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree to include these funds without specific authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS ADOPTED

Authorized uses of National Defense Stockpile funds (sec. 3301)

The House bill contained a provision (sec. 3301) that would authorize $76.4 billion for the National Defense Stockpile.

The Senate amendment contained no similar provision.

The Senate recedes.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

LEGISLATIVE PROVISIONS ADOPTED

Authorization of appropriations (sec. 3401)

The House bill contained a provision (sec. 3401) that would authorize $21.1 million for the Secretary of Energy for activities relating to the naval petroleum reserves.

The Senate amendment contained no similar provision.

The Senate recedes.

TITLE XXXV—MARITIME ADMINISTRATION

LEGISLATIVE PROVISIONS ADOPTED

Authorization of appropriations for fiscal year 2003 (sec. 3501)

The House bill contained a provision (sec. 3501) that would authorize appropriations for the Maritime Administration.

The Senate amendment contained no similar provision.

The Senate recedes.

Authority to convey vessel USS SPHINX (ARL–24) (sec. 3502)

The House bill contained a provision (sec. 3502) that would authorize the Secretary of Transportation to convey an obsolete vessel to a nonprofit organization for display as a military museum.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would clarify terms under which the vessel could be transferred.

Independent analysis of title XI insurance guarantee applications (sec. 3503)

The House bill contained a provision (sec. 3504) that would amend the Merchant Marine Act, 1936 to permit the Secretary of Transportation to obtain an independent analysis of an application for a title XI loan guarantee.

The Senate amendment contained no similar provision.

The Senate recedes.

Preparation as artificial reefs and scrapping of obsolete vessels (sec. 3504)

The House bill contained a provision (sec. 3503) that would authorize the Secretary of Transportation to provide financial assistance to States to help them prepare obsolete vessels transferred from the National Defense Reserve Fleet for use as artificial reefs.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would: (1) require the Secretary and the Administrator of the Environmental Protection Agency to jointly develop environmental best management practices to be used in the preparation of vessels for use as artificial reefs; (2) require the establishment of one or more pilot programs to explore the feasibility and advisability of various alternatives for exporting obsolete vessels in the National Defense Reserve Fleet for purposes of the dismantlement and recycling of such vessels; and (3) clarify that the section does not establish a preference for the reefing or export of obsolete vessels in the National Defense Reserve Fleet over other disposal alternatives (such as domestic scrapping) available to the Secretary under existing law. The pilot programs established pursuant to this section would be authorized to include a total of no more than four vessels. The conferees intend that the Secretary of Transportation would have the discretion to choose which vessels to include in the pilot programs.

TITLE XXXVI—ATOMIC ENERGY DEFENSE PROVISIONS

Short title (sec. 3601)

The House bill contained a provision (sec. 3120) that would set out the title of the Department of Energy National Security Authorizations General Provisions Act and define terms to be used in the Act.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment that would establish the name of the act as the Atomic Energy Defense Act.

Permanent provisions of law affecting the Department of Defense are included in title 10, United States Code. Several acts, such as the Department of Energy Organization Act Public Law 95–91, and the Atomic Energy Act of 1954, Public Law 83–703, provide various overarching legal authorities for the Department of Energy (DOE), but there is no act or even a single title or chapter in the United States Code where all permanent provisions of law governing the national security functions of the Department of Energy can be found.

Over the years, as the number of provisions has grown, researching the various provisions that are included in annual defense authorization acts has become increasingly difficult. The conferees believe the time has come to enact a law that will be a comprehensive collection of the various permanent authorities that govern the national security activities of DOE. The goal is to have a single place in the United States Code where these provision could be easily and quickly referenced.

The provisions described in sections 3601 and 3620–3631 will constitute the first sections of title B of the Atomic Energy Defense Act, the DOE National Security Authorizations General Provisions.

Over the next several fiscal years, the conferees, working with DOE, hope to reenact various provisions of current law as sections of this new act. In addition, as future provisions are enacted, the conferees anticipate that such new provisions would also be included in the new act. The conferees believe this effort to organize and co-locate the various provisions will simplify efforts to identify various statutory authorities that govern DOE.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—[Reserved]

Subtitle B—Department of Energy National Security Authorization General Provisions

Definitions (sec. 3620)

The House bill contained a provision (sec. 3120) that would set out the title of the Department of Energy National Security Authorizations General Provisions Act and define terms to be used in the Act.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Reprogramming (sec. 3621)

The House bill contained a provision (sec. 3121) that would prohibit the reprogramming of funds in excess of the amounts authorized for national security programs until the Secretary of Energy has notified the congressional defense committees and a period of 30 days has elapsed after the date on which the notification is received.

The Senate amendment contained a similar provision (sec. 3121) that would prohibit the reprogramming of funds in excess of 115 percent of the amount authorized for the program or in excess of $5.0 million above the amount authorized for the program, whichever is less, until the Secretary of Energy submits a report to the congressional defense committees and a period of 30 days has elapsed after the date on which the report is received.

The House recedes with an amendment that would make the provision part of Subtitle B, the Department of Energy National Security Authorizations General Provisions, of the Atomic Energy Defense Act.

Minor construction projects (sec. 3622)

The House bill contained a provision (sec. 3122) that would provide the Secretary of Energy with authority to conduct minor construction projects using funds authorized to the Secretary pursuant to a Department of Energy national security authorization. If at any time during the period of construction of any minor construction project, the most current estimated cost exceeds the minor construction threshold, the Secretary would be required to notify the congressional defense committees and provide a report explaining the reasons for the cost variation.

The Senate amendment contained a similar provision.

The Senate recedes.

Limits on construction projects (sec. 3623)

The House bill contained a provision (sec. 3123) that would permit any construction project to be initiated and continued only if the estimated cost for the project does not exceed, by 25 percent, the higher of either the amount authorized for the project or the most recent total estimated cost presented to Congress as justification for such a project. The Secretary of Energy would be prohibited from exceeding such limits until 30 legislative days after the Secretary submits to the congressional defense committees a detailed report setting forth the reasons for the increase. This provision would also specify that the 25 percent limitation would not apply to projects estimated to be a minor construction project under $5.0 million.

The Senate amendment contained a similar provision.

The Senate recedes.

Fund transfer authority (sec. 3624)

The House bill contained a provision (sec. 3124) that would permit funds authorized for the Department of Energy to be transferred to other agencies of the government for performance of work for which the funds were authorized and appropriated. The provision would permit the merger of such transferred funds with the authorizations of the agency to which they are transferred. The provision would also limit, to no more than five percent of the account, the amount of funds authorized by this Act that may be transferred between authorization accounts within the Department of Energy.

The Senate amendment contained a similar provision.

The Senate recedes.

Conceptual and construction design (sec. 3625)

The House bill contained a provision (sec. 3125) that would limit the Secretary of Energy's authority to request construction funding until the Secretary has completed a conceptual design. This limitation would apply to construction projects with a total estimated cost greater than $5.0 million. If the estimated cost to prepare the construction design exceeds $600,000, the provision would require the Secretary to obtain a specific authorization to obligate such funds. If the estimated cost to prepare a conceptual design exceeds $3.0 million, the provision would require the Secretary to request funds for the conceptual design before requesting funds for construction. The provision would further require the Secretary to submit to Congress a report on each conceptual design completed under this provision. The provision would also provide an exception to these requirements in the case of an emergency.

The Senate amendment contained a similar provision.

The Senate recedes.

Authority for emergency planning, design, and construction activities (sec. 3626)

The House bill contained a provision (sec. 3126) that would permit the Secretary of Energy to perform planning and design with any funds available to the Department of Energy (DOE) pursuant to a DOE national security authorization including those

funds authorized for advance planning and construction design, whenever the Secretary determines such activities must proceed expeditiously to protect the public health and safety, to meet the needs of national defense, or to protect property. The provision would require the Secretary of Energy to submit to Congress a report on each construction project to be completed under this provision prior to exercising the authority that would be provided by this provision.

The Senate amendment contained a similar provision.

The Senate recedes.

Scope of authority to carry out plant projects (sec. 3627)

The House bill contained a provision (sec. 3131) that would clarify that the authority of the Secretary of Energy to carry out plant projects includes authority for maintenance, restoration, planning, construction, acquisition, modification of facilities, and continuation of projects authorized in prior years, and related projects.

The Senate amendment contained no similar provision.

The Senate recedes.

Availability of funds (sec. 3628)

The Senate amendment contained a provision (sec. 3128) that would authorize amounts appropriated for operating expenses or for plant and capital equipment for the Department of Energy (DOE) to remain available until expended. Program direction funds would remain available for expenditure until the end of fiscal year 2004.

The House bill contained a similar provision (sec. 3128) that would provide that funds authorized to be appropriated to the National Nuclear Security Administration are available for expenditure for two years with the exception of the funds for the Office of the Administrator, which would be available for expenditure for one year.

The House recedes with a technical amendment that would provide that funds available to DOE pursuant to a national security authorization for program direction are available for obligation for one year—until the end of the fiscal year for which they are authorized. In addition, this provision would become a section in Subtitle B, the Department of Energy National Security Authorizations General Provisions Act, of the Atomic Energy Defense Act.

Transfer of defense environmental management funds (sec. 3629)

The House bill contained a provision (sec. 3129) that would direct the Secretary of Energy to provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management activities funds from a program or project under the jurisdiction of that office to another such program or project. With certain limitations, only one transfer may be made to or from any program in one fiscal year, and no transfer may exceed $5.0 million. The Secretary of Energy would be required to notify Congress within 30 days after any such transfer.

The Senate amendment contained a similar provision (sec. 3129) that would have provided three transfers per year.

The Senate recedes.

Transfer of weapons activities funds (sec. 3630)

The House bill contained a provision (sec. 3130) that would direct the Secretary of Energy to 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. With certain limitations only one transfer may be made to or from any program in one fiscal year, and no transfer may exceed $5.0 million. The Secretary of Energy would be required to notify Congress within 30 days after any such transfer.

The Senate amendment contained a similar provision (sec. 3130) that would have provided three transfers per year.

The Senate recedes.

Funds available for all national security programs of the Department of Energy (sec. 3631)

The House bill contained a provision (sec. 3127) that would authorize, subject to section 3121 of the Department of Energy National Security Authorizations General Provisions Act and appropriations acts, amounts appropriated for management and support activities and for general plant projects to be made available for use in connection with all national security programs of the Department of Energy.

The Senate amendment contained a similar provision.

The Senate recedes.

From the Committee on Armed Services, for consideration of the House amendment and the Senate amendment, and modifications committed to conference:

BOB STUMP,
DUNCAN HUNTER,
JAMES V. HANSEN,
CURT WELDON,
JOEL HEFLEY,
JIM SAXTON,
JOHN M. MCHUGH,
TERRY EVERETT,
HOWARD P. "BUCK" MCKEON,
J.C. WATTS, Jr.,
MAC THORNBERRY,
JOHN N. HOSTETTLER,
SAXBY CHAMBLISS,
WALTER B. JONES,
VAN HILLEARY,
LINDSEY GRAHAM,
IKE SKELTON,
JOHN M. SPRATT, Jr.,
SOLOMON P. ORTIZ,
LANE EVANS,
MARTIN T. MEEHAN,
ROBERT A. UNDERWOOD,
THOMAS ALLEN,
SILVESTRE REYES,

JIM TURNER,
ELLEN O. TAUSCHER,

From the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 11 of rule X:

PORTER J. GOSS,
DOUG BEREUTER,

From the Committee on Education and the Workforce, for consideration of secs. 341–343, and 366 of the House amendment, and secs. 331–333, 542, 656, 1064, and 1107 of the Senate amendment, and modifications committed to conference:

JOHNNY ISAKSON,
JOE WILSON,
GEORGE MILLER,

From the Committee on Government Reform, for consideration of secs. 323, 804, 805, 1003, 1004, 1101–1106, 2811, and 2813 of the House amendment, and secs, 241, 654, 817, 907, 1007–1009, 1061, 1101–1106, 2811, and 3173 of the Senate amendment, and modifications committed to conference:

DAN BURTON,
DAVE WELDON,

From the Committee on International Relations, for consideration of secs. 1201, 1202, 1204, title XIII, and sec. 3142 of the House amendment, and subtitle A of title XII, secs. 1212–1216, 3136, 3151, and 3156–3161 of the Senate amendment, and modifications committed to conference:

HENRY HYDE,
BENJAMIN A. GILMAN,

From the Committee on the Judiciary, for consideration of secs. 811 and 1033 of the House amendment, and secs. 1067 and 1070 of the Senate amendment, and modifications committed to conference:

LAMAR SMITH,

From the Committee on Resources, for consideration of secs. 311, 312, 601, title XIV, secs. 2821, 2832, 2841, and 2863 of the House amendment, and secs. 601, 2821, 2823, 2828, and 2841 of the Senate amendment, and modifications committed to conference:

JOHN J. DUNCAN, Jr.,

From the Committee on Science, for consideration of secs. 244, 246, 1216, 3155, 3163 of the Senate amendment, and modifications committed to conference:

SHERWOOD L. BOEHLERT,
NICK SMITH,
RALPH M. HALL,

From the Committee on Small Business for consideration of secs. 243, 824, and 829 of the Senate amendment and modifications committed to conference:

DONALD A. MANZULLO,
SUE KELLY,

From the Committee on Transportation and Infrastructure, for consideration of sec. 601 of the House amend-

ment, and secs. 601 and 1063 of the Senate amendment, and modifications committed to conference:

DON YOUNG,
FRANK A. LOBIONDO,
CORRINE BROWN,

From the Committee on Veterans' Affairs, for consideration of secs. 641, 651, 721, 723, 724, 726, 727, and 728 of the House amendment, and secs. 541 and 641 of the Senate amendment, and modifications committed to conference:

CHRIS SMITH,
Managers on the Part of the House.

CARL LEVIN,
TED KENNEDY,
ROBERT C. BYRD,
JOSEPH I. LIEBERMAN,
MAX CLELAND,
MARY L. LANDRIEU,
JACK REED,
DANIEL K. AKAKA,
BILL NELSON,
BEN NELSON,
JEAN CARNAHAN,
MARK DAYTON,
JEFF BINGAMAN,
JOHN W. WARNER,
STROM THURMOND,
JOHN MCCAIN,
JAMES M. INHOFE,
PAT ROBERTS,
JEFF SESSIONS,
SUSAN COLLINS,
JIM BUNNING,
Managers on the Part of the Senate.

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